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The Struggle Against Mining in Oriental Mindoro, Philippines: A Social Movement for Sustainable Development

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List of Abbreviations

ADB

Asian Development Bank

AFP

Armed Forces of the Philippines

ALAMIN

Alliance Opposed to Mining

BAYAN

Bagong Alyansang Makabayan

CADC

Certificate of Ancestral Domain Claim

CAFGU

Civilian Armed Forces Government Unit

CPA

Cordillera People's Alliance

CPP-NPA

Communist Party of the Philippines-New Peoples Army

DENR

Department of Environment and Natural Resources

DOT

Department of Tourism

EIR

Extractive Industries Review

EP

Exploration Permit

FPIC

Free and Prior Informed Consent

FTAA

Financial or Technical Assistance Agreement

ILAS

International Institute for Asian Studies

IUCN

International Union for Conservation of Nature and

Natural Resources

KALIPUNAN

Kalipunan ng Makabayang Mindoreno

KPNE

KALIKASAN-People's Network for the Environment

MAHAL

Mindoro Assistance for Human Advancement Through Linkages

MHC

Mangyan Heritage Center

MIRD

Mindoro Integrated Rural Development Program

MMSD

Mining, Minerals for Sustainable Development

MNC

Multinational Companies

MPSA

Mineral Production Sharing Agreement

MTPDP

Medium Term Philippine Development Plan

NCIP

National Commission on the Indigenous Peoples

NGO Non-government organization

NIC Newly Industrialized Country

NMP National Minerals Policy

PIPL Philippine Indigenous Peoples Links

RA Republic Act

SAP Structural Adjustment Policy

STD Submarine Tailings Disposal

STEAM Southern Tagalog Environmental Action Movement

TVI Toronto Ventures Incorporation

USA United States of America

WCED World Council for Environment and Development

WCS World Conservation Strategy

WMC Western Mining Corporation

Abstract

The concept of sustainable development permits the construction of various responsible range of futures. However, development interventions such as those found in the colonial and postcolonial Oriental Mindoro obstruct these possibilities.

The non-committal stance of the Philippine government towards sustainable development, the moribund economy of Oriental Mindoro resulting from colonial and postcolonial development interventions, and the entry of the multinational mining company that displaced communities, triggered the formation of a social movement that pursued protest actions with a militant and transformative mode while providing autonomous spaces for different identities and interests. The struggle against mining sharpened the contradictory vision of development of the national government and foreign interests' neoliberal agenda and the sustainable development agenda of the people of Oriental Mindoro articulated through the social movement. Most importantly, the struggle in Oriental Mindoro re-introduced, sharpened, and legitimated the local conceptualization and practice of development that is sustainable and people-centered.

Chapter I INTRODUCTION

1.1 Background of the Study

The mining sector is the oldest and largest area of state intervention profoundly shaped by the world economy. Its potential contribution to a country's development process largely depends on its relationship with the multinational companies dominating the global production, processing, and marketing of the minerals (Sideri and Johns, 1980:1). The debt crisis of the 1970s and the 1980s favored the liberalization and deregulation policies of the World Bank. Loans were conditioned on these policies and resulted in numerous mining policy changes prioritizing privatization of the mining sector in many developing countries in the 1990s (Colchester, 2000:5). This led to the domination of the multinational mining companies (MNCs) in developing countries.

The domination of the MNCs persist side by side the irony that almost half the four billion people living in countries with abundant mineral resources live on less than US\$2 a day. This phenomenon has denied corporate powers with the 'social license to operate' (Salim 2003:1, MMSD, 2002:xiv). In an attempt to respond to the intensifying criticism on the mining industry, big international mining companies formed the Global Mining Initiative (GMI) and launched the Mining, Minerals for Sustainable Development (MMSD) project to pacify the opposition and insist that the industry is an inevitable 'source of livelihood that support whole communities and natural economies (MMSD, 2002:11-14).' MMSD's existence can be encapsulated into propagating and convincing the public that mining is sustainable and that the industry can help societies to solve environmental problems (Nostromo Research, 2002:2-6).

What does the mining industry mean by sustainable development? How is it possible that the Brundtland definition of sustainable development¹ is compatible with mining? Conceptualization of sustainable development by the MMSD is laudable for its best attempts to underline the integration of economic, social, and environmental goals. In full agreement with the Brundtland definition, sustainable development is explained as promotion of human well-being and sustaining this improvement (MMSD, 2002:21). Further, the industry asserts that

¹ The Brundtland definition states that 'sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs (WCED, 1987:8).'

large-scale mineral extraction is 'an indispensable aid to a community's self-chosen development goals (Minewatch Asia Pacific, 1999:1).'

In practice, the mining industry is unable to present a single case where mining was welcomed by the communities, respected the right of the people to and choice of a certain type of development, and actual contribution to local, regional, or national sustainable development without the trade-offs of ecological damage, dislocation, and social unrest. What remains clear is a mining industry operating in a neoliberal framework where maximization of rents, efficient use of resources, free enterprise, and logic of capital and profit rule (Nostromo Research, 2002:6-8).

The mining industry faces an ally in the World Bank, which unequivocally argues that mining is a catalyst for economic growth of developing countries and therefore finances mining projects as the main element of its poverty alleviation goal and sustainable development (World Bank, 2003; Eldis, undated). Further, the Bank argues that because mining countries perform better economically than others do; countries with abundant mineral resources should prioritize the mining sector (Weber-Fahr, 2002). This was overturned by the World Bank Extractive Industry Review Report (EIR), which demanded that the Bank resist from funding extractive industries (Salim 2004:1-2). Brushed aside as an overreaction, the EIR met only a promise of funding selectivity based on good governance, social and environmental sustainable development, and re-focusing on poverty alleviation (Financial Times, 2004:1; Wroughton, 2004:1).

The EIR is based on the reality that mineral dependence generates stagnant economic development and causes local problems of dislocation, environmental damage, and violence (Friends of the Earth, undated:1). Mining has not translated into local prosperity but left once sustainable economies dependent on foreign corporations and overseas markets (Evans et.al, 2002:xii). Large-scale mining promotes the anti-thesis of sustainable development defined by the Brundtland Commission by impressing unto the policies and institutions a top-down development imposed on local communities and environments (Colchester, 2002:3).

These depredations caused the indigenous communities worldwide to regard mineral extraction as a major threat to their survival and resist any mining operations in their territory (Mines and Communities Network, 2000:1). Further, civil society groups and communities resist mining as plunderer of their resources (Manila Declaration, 2000; London Declaration, 2001;

Statement of the International Mining Workshop, 2002; Kimberley Declaration, 2002; Dapitan Declaration, 2002; Indigenous People's Declaration on Extractive Industries, 2003). When the industry declared that 'the more unsustainable activities pose unacceptable risks to communities, nations, and humanity as a whole, the stronger the argument for change', they must have already anticipated their future (MMSD, 2002:18).

The Philippines is one of the many developing countries where the argument for change and resistance to the causal relationship of mining and sustainable development is strong. The Philippines has diverse reserve of mineral deposits confirmed by its world ranking in gold, copper, and chromite endowments as second, third, and sixth, respectively (The Mining Journal, 1991). Mining in the Philippines had a long history starting in the 3rd Century AD when the Filipinos traded gold and copper with the Chinese. However, intensive commercial activity only began with the gold rush of the 1930's when the American colonial government ordered the expansion of mining operations to tribal lands (Tujan, 2002:147-148). While enthusiasm distinguished the mining sector in the periods leading to the 1970's when copper and other metals performed well in the world market, the next decades confronted its decline (Lopez, 1992:264-265).

The decline of the mining sector was attributed to the absence of a mining code providing for a favorable production sharing structure with government and local and foreign investors. The mining industry in the country and the international banking institutions proposed deletion of the constitutionally mandated 60-40% ownership of companies in the Philippines, full access of minerals and resources by mining companies, tax holidays, and repatriation of profits among others (Brimo, 1995; ADB, 1994). The result is the enactment of the Philippine Mining Act of 1995 or Republic Act 7942.

Operating under the Philippine National Minerals Policy (NMP) and R.A. 7942, the government envisions a 'sustainable development through responsible mining'. With disdain, Filipinos view the strategy as impossible in an export-oriented and import-dependent economy tied as a resource base of industrialized countries, suffering from trade inequality, and where huge debts force the acceptance of imposed structural adjustment policies (SAP) by the World Bank (Conference Statement, Philippine National Conference on Mining, May 6-8, 2002). Resistance of Filipinos to mining leaves the Mining Act of 1995 partially implemented (Tujan, 2002:162).

The case of the mining industry and the peoples movement both using sustainable development in their discourse and counter-discourses reflects the crisis of 'sustainable development' as an alternative to conventional market-based development (Khor, 2001:3). This is not far from the disillusionment of transforming the success of the 1992 Rio Summit into concrete local programs and policies. The deterioration of the environment and underdevelopment in many Southern countries begs the question that sustainable development might not have been devised to help the South, but to keep its present state (IBON, 2002:2). If sustainable development is in crisis, what will bring development to the people? Is development necessarily dependent on external interventions or morally calls for genuine participation of the communities who are in the first place, the real target of development?

1.2 The Research Problem

Different periods of history present recurrent crisis of different nature but not without one single most important lesson: if the vested authorities fail to put a halt to the suffering and deprivation of its people, collective formations will arise with the shared consciousness and motivation to initiate change and social development. The political expression of these formations finds itself in social movements.

Social movements are loose networks of individuals and/or organizations with a burning desire for change, share common value systems, and mobilize available resources to effectively demand rectification of existing social order dominated by the elite and powerful through agitation and sustained protest actions. Social movements has seen a definitive shift from its focus on class based struggles to the culturally diverse articulation of interests allowing more space for various identities in the society to flourish and contribute to the realization of change and development. Their emergence encompasses periods of distrust and claims to social pathology and gradual redemption as active initiator of newly constructed meanings and values for social transformation. Worldwide, social movements have attempted to influence development politics with the formulation of alternatives that suit the needs of the people it represent.

In the case of Philippine social movements, while the struggle for democratic reforms was initially hard pressed by the "old party lines" it gradually evolved into accommodating new

trends in alternative political contestation bringing more actors to the fore and confronting new and more complex conflicts, as response to demands for alternative to conventional development, which is market-oriented and anti-poor.

One of the possible alternatives is 'sustainable development'. The concept has gained ground in the international level attested to by the breakthrough conferences and international conventions.² Efforts to reach the national levels and influence their 'sustainable development' are not without rigor. However, the provocative question remains: Is sustainable development possible? How is sustainable development conceptualized in the local level and, what form does this take? These questions lead us to search for a local case where the conceptualization of sustainable development is made possible through collective action triggered by a development intervention such as mining.

In view of the foregoing, this study chose the struggle against mining in Oriental Mindoro as a local case. Oriental Mindoro has become witness to the violent character of mining as a development intervention and the emergence of a social movement resisting all forms of injustices and human rights violations with an end view of development that is sustainable and people-centered.

The study asks how the experience in the struggle against mining induced the conceptualization of a local concept of sustainable development among the social movement actors against domestic and international constraints. The struggle is considered as an imposed opportunity in which people's conceptualization of their own concept of local sustainable development is brought forward.

1.3 The Research Objective and Research Questions

The main objective of the study is to analyze how the struggle against mining in Oriental Mindoro induced the emergence of a local concept of sustainable development against domestic and international constraints.

The following research questions are formulated to attain the research objective:

² Stockholm Conference of 1972, Earth Summit at Rio in 1992, Brundtland Report in 1987.

- 1. What is the historical pattern of development in Oriental Mindoro?
- 2. What is the national policy on mining and sustainable development that provided the context for the struggle against mining in Oriental Mindoro?
- 3. What type of social movement emerged from the struggle against mining?
- 4. What was the effect of the struggle against mining to the development trajectory of Oriental Mindoro?

1.4 Relevance of the Study

The study hopes to set the course of future research into investigating the intertwined existence of social movements and sustainable development. In the survey of literatures, isolated discussions render each concept empty especially when the reader discovers a crisis in implementation. Social movements that have deteriorated into single-issue advocacy can plunge into the dynamic conceptualization and practice of sustainable development while the latter can find its fulfillment in the committed mobilization of the former.

Pragmatically, the study contributes to the preservation of the cultural heritage of the indigenous Mangyans by documenting their interaction with the outsiders, both Filipinos and non-Filipinos, who continuously challenge their chosen development trajectory. On the concrete, the researcher intends to contribute to the collection of the Mangyan Heritage Center.

Finally, the study aims to generate continuous discussion of the ongoing struggle against mining in Oriental Mindoro and the Philippines in general. Since the Philippine government has identified mining as an integral aspect of development, its implications on the lives of the marginalized must be examined. While advocacy papers on mining have proliferated, this study intends to raise the practice of contestation against mining into an academic and theoretical level so that this can provoke reflection on the part of the social movement actors, the mining industry, and the Philippine government.

1.5 Methodology

The research paper embarks on a qualitative type of research where social theorizing greatly informs the arguments and conclusions reached. The ontological position deals with the realm of meanings derived from the analysis of the interviews conducted with key informants

and various forms of secondary data. The methodology is descriptive in terms of narrating the story behind the struggle against mining in Oriental Mindoro while the interpretative part focuses on the chains of reasoning used by various actors involved in the struggle. The practical commitment of this paper is towards defending community life in seeking to make others understand the formation of social movement and conceptualization of sustainable development in Oriental Mindoro.

The research instrument used to collect primary data is key informant interview. From the Netherlands, the researcher arranged for phone interviews to the Philippines. The constrained nature of this process demanded written questions sent to the informants before the interview. Correspondence through electronic mails aided the process and served as the platform where the informants and the researcher clarified and expounded on many issues.

Five key informants were selected based on active participation in the struggle against mining in Oriental Mindoro and the authority to speak on behalf of other groups and individuals involved in the struggle. Of the four, two came from the Philippine House of Representatives that represented two districts of the island province of Oriental Mindoro, one holds the governorship of the province, and the last two come from the ranks of the social movement in the Philippines in general and Oriental Mindoro in particular.

The following incumbent local government officials were interviewed: Governor of Oriental Mindoro - Bartolome Marasigan; 1st District Representative of Oriental Mindoro and former Governor of Mindoro - Congressman Rudy Valencia, and; 2nd District Representative of Oriental Mindoro - Congressman Alfonso Umali Jr. As convenors of the alliance opposed to the mine, Dr. Jun Saturay and Father Edwin Gariguez were interviewed. The leader of the organization Kalipunan ng Makabayang Mindoreno (Kalipunan), Dr. Jun Saturay, was personally interviewed in Utrecht, The Netherlands on several occasions from the period of August to November of 2004. As of this writing, Dr. Saturay is one of the political asylum seekers in The Netherlands. Involvement in the struggle against mining in Oriental Mindoro caused actual and serious threats against his life. Father Gariguez served as the Secretary General of ALAMIN from 1998 to 2003 until his forced departure from Oriental Mindoro because of the same threats against his life. From a distance, he currently serves as the advocacy program officer of ALAMIN.

The collection of primary data was substantially aided by the instruments used to gather secondary data: review of existing literature, documentation research, and library work. The researcher was privileged to have secured voluminous data from various sources. The first round of data gathering involved attending the 7th International Conference on the Philippines organized by the International Institute for Asian Studies (IIAS) held on June 16-19, 2004 at Leiden University, The Netherlands. The researcher took an active part in the conference by facilitating the organization of the 'Mining and Environment' panel.

Three scholars presented their papers on mining in the Philippines, which gave the researcher a clearer picture of the subject matter. Catherine Coumans emphasized the role of foreign interests and the need for local resistance against mining in her paper 'Mining Undermined: Examining Failed Attempts to 'Manufacture Consent' and Achieve 'Social Acceptability' for Mining in the Philippines'. On the other hand, Professor David Wurfel, in 'Mining and Environment in the Philippines: The Limits on Civil Society in a Weak State', argued that the presence of laws and scientific reports on mining cannot substitute for a strong environmental movement. Lastly, Dr. Jun Saturay presented the role and experience of *Kalipunan* in the struggle against mining in Oriental Mindoro. The opportunity to listen to the panel presentations and acquire copy of their papers provided the researcher with enough initial data and literature to work on the research problem.

The second and almost endless stage of data gathering is searching through the internet. The Alliance Opposed to Mining in Oriental Mindoro (ALAMIN) and Mindoro Assistance for Human Advancement Through Linkages (MAHAL) facilitated ease of documentation and research through their very informative website containing legislations, local government resolutions, press statements, position papers, scholarly articles, and a whole list of literature on the subject. The researcher was also able to access the discussions going on in the internet about the updates of the struggle against mining through the online discussion group.³ It provides a venue where local people in Oriental Mindoro can engage in substantial discussion with support groups from foreign countries. Another useful source was the Mines and Communities Website where critical literatures concerning mining all over the world are found. The internet was also a good source of print materials. The website of the Philippine Daily Inquirer, one of the leading newspapers in the Philippines, was a good source of updated news releases together with the Babilonia Wilner Foundation's Balik Kalikasan (Return to Nature) Online' website.

³ ALAMINMAHAL@groups.msn.com.

In conjunction, the researcher also found solace in the collection of books and journals found in the library of the Institute of Social Studies especially with its system of Inter-Library Loans. The collection of Filipiniana materials, including books, articles, reports, and others were overwhelming.

Another very important source of information was the Mangyan Heritage Center of the Philippines based in the capital city of Oriental Mindoro. Their website contained an impressive list of all materials related to Oriental Mindoro and the indigenous Mangyans. Ms. Emily Catapang, the center's librarian, lent a ready hand in preparing and costing the long-list of materials requested for this study. She also sent a number of articles free of cost.

Lastly, video documentaries documenting the atrocities committed by the military, the chilling account of the people who died, testimonies of those who were left behind, and calls for immediate action and support, elevated the researcher's commitment to fully understand the reasons behind the fearless sacrifice of many lives.

1.6 Limitations of the Study

The main difficulty encountered in the study revolved around the conduct of key informant interview as a research instrument. The physical distance from the key informants limited the dynamic discussion of important issues, which will help form basic arguments in the study. Nevertheless, the constraints were mitigated through correspondence via electronic mail and the bulk of secondary data gathered.

At the onset, more than five key informants were identified including leaders of the indigenous Mangyan federations, farmer and fishermen's federations, the chairperson of ALAMIN Evelyn Cacha, officers of the National Economic and Development Authority and Philippine Commission on Sustainable Development, and other people referred to by the interviewed key informants. However, space and time made this feat difficult. Regrettably, as soon as possible contacts were established, the submission of the research paper neared.

1.7 Organization of the Paper

The organization of this paper follows a progression of ideas from the formulation of the research problem, method, and framework of analysis to the presentation of findings and major arguments found in the chosen case study. To provide clarity of the major arguments advanced, each chapter concludes by providing a summary and analysis.

The first chapter provides a background of the study and establishes the nature of the research problem, objectives, and relevance of the study. The methodology, which involves the research design, research instruments used for data gathering, and limitations of the study are explained.

The second chapter provides a comprehensive discussion of the conceptual and analytical framework adopted in the study. Social movement and sustainable development concepts are discussed and analyzed. The analytical framework informs the reader of the method of analysis adopted.

The third chapter intends to put into context discussions on social movement and mining in Oriental Mindoro. The study area is located and critical events that triggered the development or underdevelopment of Oriental Mindoro are discussed in a historical and critical fashion.

The fourth chapter provides a background of the Philippine Mining Law of 1995, which paved the way for the modernization of the mining industry. The presentation of the dominant and counter discourses on mining will guide the analysis on the sustainability or non-sustainability of mining.

The fifth chapter presents the case study. It starts by discussing the proposed Mindoro Nickel Project followed by its opposition. The composition, arguments, activities, victories, and challenges are discussed and analyzed.

Finally, the sixth chapter concludes by synthesizing the major arguments advanced in the previous chapters and by answering the research question that caused the writing of the paper.

CHAPTER II

CONCEPTUAL AND ANALYTICAL FRAMEWORK

In an era where the market forces force itself in all aspects of life, where traditions of resistance and self determination are clouded by division and terrorism, and a caricature of disillusionment thrives in many attempts at development, development concepts, theory and practice are continuously challenged by these alternatives.

The first part of this chapter will discuss concepts of social movements and sustainable development as alternatives to a failed development paradigm. Sustainable development will be viewed as an alternative advocated by social movements while it confronts the dominant discourse of development. The success of social movements advocating for sustainable development will be analyzed in later chapters. The second part will discuss the analytical framework of the study.

2.1 Conceptualization of Social Movements

Social movements are defined through their objectives, activities, identity, leadership, and some degree of organization. These components are discussed in this section of the paper.

Social movements are organized with an aim of initiating change through collective action (Rao, 1979:2). Generally, the needed change is that of modification or reversal of power relations in the society that has disadvantaged the majority who has no access to many resources: natural; political; social; or economic (Tilly, 1988:1-18).

Some authors privilege the activities of social movements in defining the concept. Della Porta and Diani (1999:14-16) define social movements as informal networks organized based on shared beliefs and solidarity and mobilize on conflictual issues through the frequent use of various forms of protest other than the conventional parliamentary tactics (e.g. litigation, voting, lobbying). Forewaker and Landman (2000) argue that social movements are primarily movement activities radically different from conventional ways of contestation. Their collective identity is merely a degree of organizational cohesion, is relative and may change over time. Further, Chong (1991) cautions that collective identities may not be genuine since self-gratification rather than collective interests may predominate social movement actors.

On the other hand, Zirakzadeh (1997) defines social movement as a group of 'nonpowerful, nonwealthy, and nonfamous' people who consciously constructs collective identity to build a radically new order. Social movements are distinctly based on shared identities and experience as part of the marginalized and engagement in confrontational and socially disruptive actions. Tarrow (1994:123-138) calls these protest actions as contentious collective action, which he identifies as the base of social movements not because they are prone to violence; rather, it is the only alternative of people against powerful states. Opting out of this alternative is what Salih (2003:2) describes as resulting from dissatisfaction with institutional politics. This alternative materializes into a form where it can influence national politics while using culture and identity as symbols of resistance, privileging popular and indigenous development, and participation in an international solidarity movement in recognition of the various external forces that hinder or promote their goals.

Therefore, social movements are different from political parties, religious groups, and interest groups because of the absence of hierarchical structure and low degree of social control. The actors come from different contexts with different orientations and share system of beliefs and belongingness without losing their identity and dissolving their original organizations. In this sense, social movements would be defeating its purpose if by achieving its goals it dissolves participating network organizations for the sake of the needed unity.

In the same vein, protest events, unrests, crowd behavior and political coalitions are not social movements because of their single episodic mobilizations arising out of specific issues not consciously part of a mass demand. In refusing to render coalitions as movements, Pakulski (1988:247-266) argue that coalitions do not equal the collective identity formed in social movements because of its tactical nature and short-lived existence determined by shared political positions at a certain moment. Blumer (1995:60-83) calls these movements 'expressive movements' without genuine intent to change institutions of social order.

The criticism on the spontaneity and loose organization of social movements triggered the creation of social movement organizations aimed at devising a structure, which will promote efficiency and clarity. Yet, their creation reproduced much of the same social movement: decentralized, which lacks identified and common leadership; direct participation; works for internal solidarity with egalitarian relationships; and a charismatic leadership (Della Porta and Diani, 1999:137-150).

To synthesize, social movements are loose networks of individuals and/or organizations emerging out of dissatisfaction with institutional politics, share common value systems, and mobilize available resources to effectively demand rectification of existing social order dominated by the elite and powerful through agitation and sustained protest actions guided by the search for alternatives to conventional development.

2.1.1 Old and New Social Movements: Dichotomy or Fluidity?

Social movements geared towards social change combine the values of 'old' and 'new'. New social movements are 'inclined towards affective interests, emphatic relations, group orientation, and horizontal organization' while the old social movements are 'inclined towards material concerns, instrumental relations, orientations towards the state, and vertical organization (Vandresen, 1993:7).'

Rosales (1987:9) summarizes the main features of old social movements as conceived in terms of class, class struggle and conflict based on the classical Marxist-Leninist philosophy of the nature of the state as oppressive and instrument of the bourgeoisie. Further, the existence of these movements is sustained by the socialist ideology that seeks the transformation of society through redistributive means and eventually, classless society. Thus, old social movements are transformative and revolutionary in character. However, the spontaneity, loose structure, and kaleidoscopic array of participants with issue-based and concrete agenda that characterize new social movements tend to blur ideology.

New social movements are less radical and accommodate different perspectives and strategies to achieve re-appropriation of the resources of the society. The struggle along class lines is abandoned while participation, identity, and reclamation of autonomous spaces around the values of democracy and citizenship rights are relied upon (Laclau, 1985; Offe, 1985:817-868; Forewaker and Landman, 2000). Slater (1985:8) argues that new forms of subordination and oppression identified as bureaucratization, commodification of social life, and cultural massification demand new forms of struggle. Sethi (1993:230-255) further explains that Ghandian legacy coupled with the Left's denial of any significant political role to the non-industrial working class sector in India forced social movements to emphasize on 'people' and not on 'class'.

New social movements are seen in various forms of feminist, environmental, peace and anti-nuclear movements, human rights groups, anti-racism, regional and sexual minorities, indigent organizations, and cultural or artistic organizations⁴. Some scholars consider even the ostensibly conservative religious and non-political neighborhood associations as new social movements.⁵ Johnston and Klandermans (1995) claim that daily interaction is very important in identity movements where lives become the 'loci of cultural production'.

However, some authors refuse to make a distinction. They argue that the celebrated 'new social movements' have long existed in the forms of ethnic reprisals, peasant unrests, defiant movements of the slaves, religious reprisals, and other broad movements described as resistance against destruction of the life support system in place of the needs of the market (Frank and Fuentes, 1987; Barraclough cited in Huizer, 1990:2-3).

Despite continuous conceptual and practical reformulations of social movements, what they have in common is their motivation for change, and from whatever perspective it might come, it ought to be positive social change that changes the existing oppressive structure of the society. In sum, the distinction between old and new social movements should not be seen as a dichotomy, rather, as evidence of its fluid and continuous evolution with endless effort to redefine, refashion and re-orient itself to be able to respond to the complex problems unleashed by modernity.

2.1.2 Emergence of Social Movements

Various theories explain the emergence of social movements. Proponents of collective behavior such as Smelser (1962) argue that individuals suffer from deprivation out of their relations with other social subjects and general frustrations from failure of expectations supposedly delivered by the modernized world. Social movements therefore come about because of the desire for change and attempt to overcome the crisis by transforming existing rules, norms, and relations.

On the other hand, the cost-benefit approach explains that social movements emerge through a calculation of cost and benefit depending on available material and non-material

⁴ Frank and Fuentes (1987) and Laclau (1985)

⁵ Mainwaring and Viola (1984) and Evers, T. (1985)

resources. Members of social movements participate as rational, purposeful, and motivated individuals (Tilly, cited in Della Porta and Diani 1999:8).

Another useful explanation of the emergence of social movements is a favorable institutional and political environment. Sidney Tarrow (1994:123-138) is one with several authors in calling this condition as 'political openings', 'political opportunity', 'protest seasons' and 'protest cycles'. In its concrete form, political openings mean access to political processes (e.g. political recruitment, suffrage, lawmaking), formation of alliance with political elites, and fissures created in the system because of the conflict between these elites.

On a more radical tone, various authors argue that specific conditions of a country characterized by injustice and disadvantage caused by the advance of the capitalist world economy bring about the emergence of social movements (Huizer, 1990; Heberle, 1995:49-59; Dhanagare and John, 1988).

In the end, various theorizing on the emergence of social movements lead to a conclusion that, when the state fails to address basic needs and carelessly frustrate and repress any opposition to such indifference, people begin to question the legitimacy of the State and mobilize for reforms within the system.

2.1.3 Social Movements as Democratizing Development

Social movements are increasingly viewed as 'vehicles of creative and innovative ideas' in contrast to its prior disrepute pointing to social pathology (Oommen, 1997:46-66). The surfacing of global movements and regional and world social for has shown the interest people have taken towards a global social movement that struggles for development defined by the people. Social movements have forwarded several alternatives in an effort to democratize and re-define the neoliberal type of development.

Friedmann (1992:1-13) proposes an alternative development that rectifies existing imbalances in the society resulting from the contestation between the state and the excluded whose participation in social movements is to specifically fight for redistributive social justice. Equity-led development in contrast to growth led development must be the focus of what Korten (1992:53-77) calls 'people-centered development'.

The study commits to these approaches as among the best ways in which social movements can sustain itself and seriously influence the trajectory of development. The succeeding section of this chapter will discuss sustainable development concept and practice as one of the many alternatives chosen by social movements.

2.2 Conceptualization of Sustainable Development

The numerous possible definitions of sustainable development brought much uncertainty in finding appropriate strategies for sustainable change. Elliott (1994:6) argues that 'the attractiveness and the dangers of the concept of sustainable development may lie precisely in the varied ways in which it can be interpreted and used to support a whole range of interests or causes.' Therefore, the definition of terms that normally accompanies the operationalization of the chosen elements of sustainable development is insufficient to grasp the framework of this study. Any pursuit of sustainable development should begin by understanding the changes in thinking and practice from which the concept has developed (Adams, 1990:14).

Early decades of development thinking in the 1960s privileged economic growth as the way out of underdevelopment (Elliott, 1994:10).' Rostow's (1960) linear stages of economic development steered the modernization theory and development became westernization of values and institutions in developing countries. Thus, even with economic growth, inequality heightened domestically and internationally.

In the 1970s, the dependency theory emerged with proponents such as Andre Gundre Frank (1967) arguing mainly that underdevelopment is brought about by the development of the core countries within the exploitative nature of the international capitalist system. Unequal exchange and dependent relations characterize the relationship between the peripheral countries and the metropolitan core. What follows is a series of systematic development reversals in the form of increasing protectionism among industrialized countries, negative capital flows, debt crisis, unemployment and rising poverty among others (Hewitt, 1992:232-233). Inasmuch as this radical critique lambasted the inequalities brought about by development, it inherently shares with modernization theory the 'over-emphasis of the economic dimensions of development (Elliott, 1994:12).'

Extreme views characterize the relationship between environment and economic growth. Environmental moralists abhor the idea of treating the environment as a commodity while neoclassical economists argue that the environment is a commodity awaited by the market (Redclift, 1987; Pearce cited in Chambers, 1986:13; O'Riordan, 1986). Economists perceive scarcity as the driving force behind human choice, while environmentalists perceive economic growth as the reality retarding human choice (Redclift, 1987:37).

The 'atomistic-mechanical world view' of neoclassical economics assumes the divisibility and ownership of resources while environmental systems present itself in the market otherwise: indivisible, difficulty of reaching equilibrium positions and incurs irreversible changes. In addition, the focus on risks reinforces the exclusion of the evolution of ecological and social systems as affecting one another. The uncertainties involved in this co-relationship make it difficult for any neoclassical model's accounting (Redclift, 1987:40-41).

A step forward is the mainstreaming of the environment through the recognition that development is a multi-dimensional concept demanding not only economic growth, but also, social justice, and ecological sustainability. This resulted into a lack of unified stance on many issues of sustainable development (Elliott, 1994:12-17). The reformist (the dominant technocentric and market-induced strand) and radical orientations (deep ecology) stand against each other (Adams cited in Elliott, 1994:17). Other divisions existing in between are economarchism, eco-socialism, eco-postmodernism, and eco-feminism (Doyle and McEachern, 1998: 36-54).

In 1971, the Founex Report ushered in the shift of environmentalism in the form of nature protection and conservation movements to linking environment with development. The 1972 Stockholm Conference followed by raising the issue of 'pollution of poverty' referring to the environmental concerns of the poor. Thus, the analysis that lack of development could cause environmental degradation began to shape pursuits of sustainable development (Elliott, 1994:23).

Subsequently, the creation of the United Nations Environment Programme (UNEP), serving as the international environmental watchdog, the publication of the World Conservation Strategy, the Brundtland Report of 1987, and the 1992 Earth Summit at Rio paved the way for the popularity and reformulation of sustainable development with new emphasis on poverty,

basic needs, and integration of environment into decision-making. Albeit qualified as meeting the requirements of equity-led growth and ecological sustainability, the revival of economic growth in the discussions presented an unfortunate 'comfortable reformism' (Elliott, 1994:24-26).

While international progress framed and stimulated the creation of environmentally sustainable frameworks in the regional and national levels, the rush to a uniform social future embodying sustainable society ought to be avoided (Kenny and Meadowcroft, 1999:4). Human agency remains the crucial factor in constructing various socially and environmentally responsible ranges of futures. Dryzek (cited in Kenny and Meadowcroft, 1999:4) reinforces the idea by arguing that because environmental problems are always of a social nature, collective action problems are required. How will this agency be able to fashion a social future from a universe of conceptualized futures? This study concerns itself with the decisive question of how human agency, the struggle against mining by the people of Oriental Mindoro, has conceptualized an agenda for sustainable development.

A worthy response is that of Chambers (1986). He argues that what is required in any thinking about development and its sustainability is the prioritization of the livelihood of the people over the longer-term effects of development and environment concerns. Sustainable development entails short-term improvements in livelihood, which will translate later into livelihood-intensive human use of the environment, which is sustainable (Chambers (1986:13).

However, Redclift (1987) argues that while prioritizing livelihoods of the poor is a welcome alternative to institutional thinking about sustainable development, the structural inequality of the international political economy should first be addressed. Development of poor countries depends largely on the 'historical process, which links the exploitation of resources in the more industrialized countries with those of the South (Redclift, 1987:3, 36).' Absence of an understanding of the constraints imposed by the international structure of the economy, any development efforts at the local level will be futile. Therefore, the assertion that 'local is global' and the 'global is local' forces itself in this study.

2.2.1 Translating Sustainable Development into Policy

The defining elements and strategies necessary for the concrete implementation of sustainable development have become instances of political struggle between conflicting interests (Agarwal and Narian, 1991; Salih, 1997:124-42; Slocum and Thomas-Slayter, 2001; Shiva, 1993; Triantafillou, 1995:1-26). Sustainable development policy instruments, whether global, national, regional, or local, cannot escape from the conflict-ridden nature of the society that has breath life unto them.

The history of conservation strategies and environmental policy-making reveals a classical top-down conservationist science with traces of 'urban, industrial, high-technology, male, quantifying, and elite-catering biases (Chambers, 1991:5-12).' Tragically, economic forces managed to circumvent any well-meaning conservation efforts. A case in point is the triangulation of ecotourism, screening of genetic materials, and commercialization of existing knowledge of traditional medicines found in many biodiversity venture capital funds (Chatterjee, 1994:3-23). Indeed, the blueprint of conservation results from the definite choices of worldviews and power relations (Pimbert and Pretty, 1997:297-330).

One way of understanding the contestations found in sustainable development strategies and policies is to trace its origins in neocolonialism. The age of neocolonialism and its development blueprints is contrary to understanding why sustainability means different things in different parts of the world. The impact of neocolonialism demands that Northern countries pay for maintaining the global environment because they are the irrefutable cause of environmental damage (Shiva, 1993; Agarwal and Narian, 1991; Salih, 1999:37-54). Further, for sustainable development to have any effect, it must challenge the injustices embedded in the political, social, and economic relations between and within the North and the South (Slocum and Slayer, 1995:3-4).

On the other hand, Eckersley (1995:15-17) takes a standard critique against neoliberalism. He points to 'free market environmentalism' as the driving force for excessive use of natural resources to promote the primacy of economic growth amidst environmental destruction. In particular, Salih (1997:124-42) indicates that political tensions arise when 'international regulatory environment policies and laws affect trade competitiveness of certain states or regions.' Elaborating this tension, Goldin and Winters (1995:1-14) explain that

developed countries demand reduction of emissions in greenhouse and ozone depleting gases from developing countries while the latter catches-up the development of the former; implying following the same path of environmental destruction without remorse. The upshot effect is that international cooperation becomes difficult with individual state's thrust of trade competitiveness.

What then should be the alternative? Pretty (1994:37-48) identifies the working principles found in the emerging alternatives against the dominant positivist science and are summed up herein: (1) Sustainability is a contested concept and prescription of concrete set of technologies, practices, or policies exclude other options and undermines sustainability itself. (2) As problems are open to interpretation, multiple perspectives are better sought by involving a variety of actors and groups. (3) Avoidance of standardized actions by recognizing that resolution of problems leads to production of another problem-situation. (4) Encourage wider debates about the pursuit of conservation and development. (5) Full involvement of all stakeholders in a system of learning and interaction through participation and collaboration.

In practice, sustainable development alternatives are best scrutinized in cross-sectoral developments. One of the possible alternatives is community development, a locally based initiative, and site-specific approach for solving community problems by maximizing the role of community members and community resources (Smith, 1990). Here, unity with governmental authorities and business allow a development encompassing all aspects of quality of life with special recognition to conserving the natural resource base of the local people (Bujold, 1995:5-8; Davidson, 1995:5-6; (MacKinnon, 1995:44-47).

Pimbert and Pretty (1997:297-330) contend that stakeholders have different perspectives of community problems and solutions because of their direct socio-economic involvement and interest. Successful sustainable development policies can transpire through the following recommendations summarized below:

- 1. Signed agreements between conservation professionals and local community organizations to promote responsible and accountable interaction.
- 2. Indigenous peoples should represent their own interests instead of consultative processes controlled by conservation organizations.

- 3. Strong popular mobilization at the local level in favor of greater access to resources within protected areas.
- 4. Establishment of local rules for the protection and conservation of natural resources

However, immediate successes of community development should not be assumed. With good reason, Williams (1992:14-19) and Clements et.al (1993:78-91) argue that cooperation of all factions in the community is essential in achieving a 'high-quality product delivered without diminishing the ecology of the resource base.' Community development initiatives will translate into sustainable development policies if the interests of all stakeholders are considered.

2.3 Analytical Framework

This paper will begin by presenting the historical pattern of development in Oriental Mindoro. The study assumes that the indigenous peoples have already made significant strides through a subsistence economy and nascent traditional trade. Therefore, interruptions to this normal state will be represented as interventions encompassing the colonial and post-colonial period and continuing up to the events leading to the struggle against mining. The paper will expose how each colonizing power has interrupted or instituted comprehensive development of the province. In continuation, the national policies of the post-colonial Philippine government will be investigated.

After giving due attention to how Oriental Mindoro emerged as a political entity with a certain type of development triggered by colonial and post-colonial policies, the study will investigate and analyze how this type of development is reproduced through the modernization of the mining industry. This will be done by discussing the Philippine Mining Act of 1995 and the entry of the multinational mining company Mindex/Crew in Oriental Mindoro. Rendering a proper balance of argumentation, both the pro-mining and anti-mining discourses will be presented but not without a critical stance. It will be shown that the present development of Oriental Mindoro and the proposed mining operations have caused the emergence of a social movement committed to a struggle against mining and conceptualization of a development founded on self-determination.

The study will treat the struggle against mining as a social movement. A conceptual framework will help establish the emergence, character, and dynamics of the movement. As a

social movement, this study will answer the question of whether or not the struggle against mining induced a conceptualization of a local sustainable development among the social movement actors.

For purposes of this study, social movements are loose networks of individuals and/or organizations emerging out of dissatisfaction with institutional politics, share common value systems, and mobilize available resources to effectively demand rectification of existing social order dominated by the elite and powerful through agitation and sustained protest actions guided by the search for alternatives to conventional development. On the other hand, the study adopts the Brundtland definition of sustainable development as 'development that meets the needs of the present without compromising the ability of the future generations to meet their own needs (WCED, 1987:8).' In addition, analysis of sustainable development will consider its three defining elements: economic growth, ecological sustainability, and social justice.

Most importantly, central to the argument of the study is Redclift's (1987) characterization of development as full of contradictions and historical displacements. The study will view mining as a development intervention that contradicts the definition of development by the people and continuing the displacement of communities in Oriental Mindoro that began with its colonial past. (See Figure 1 for the illustration of the analytical framework.)

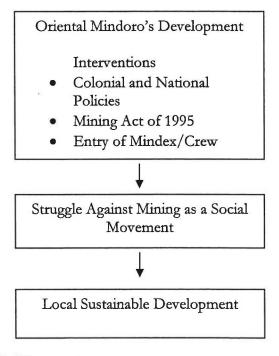


Figure 1. Analytical Framework

CHAPTER III

PHASES and FACES OF DEVELOPMENT IN ORIENTAL MINDORO

This chapter will analyze the historical pattern of development in Oriental Mindoro by exposing traditional development and development interventions in its pre-colonial, colonial, and postcolonial history. The usefulness of this chapter relates to the goal of establishing later on what kind of development the proposed mining project in Oriental Mindoro will reinforce or deprive.

3.1 Locating Oriental Mindoro

Mindoro is the seventh largest island in the Philippine archipelago formally constituted on February 2, 1921 by the Spanish colonizers (Schult, 1991:20). The island identifies structurally, botanically, zoologically, and ethnically with the Indonesian island of Borneo (Wernstedt and Spencer, 1967:428). The level of biodiversity and endemism makes it the 7th most important biogeographic zone in the world attested to by the presence of at least 79 endemic fauna and 74 endemic flora (DOT, 2004). In 1950, the island was politically divided into two provinces: Oriental and Occidental Mindoro. Calapan became the capital in the oriental province and Mamburao in the occidental side. The area of study is Oriental Mindoro, which has fourteen municipalities and measures 436,470 hectares (See Annex E for the Map of Mindoro).

3.2 Development Cycles in Oriental Mindoro

The original settlers of Mindoro are the pagan forest-dwelling shifting agriculturists⁶ collectively known as the Mangyans (Wernstedt and Spencer, 1967:433). In the 10th century, Mindoro participated as an important trade center of Chinese goods because of its strategic location connecting the islands of the archipelago from north to south through the Mangyans (Miyamoto, 1988:1; Wernstedt and Spencer, 1967:428; MHC, 2004). These peaceful, shy, and non-conflictual people engaged in centuries of peaceful trading system even though the Muslim

⁶ Mangyans practice shifting agriculture to avoid leaching of the soil by warm rainwater in the humid tropics such as the Philippines. Farmers slash and burn the forest vegetation to cover the soil and lock the nutrients. They then cultivate plants to replace the forest cover. The practice is distinguished from wet rice agriculture of the Christians who plant same cash crops every year, does not provide fallow periods, and exhaust the nutrients of the soil. The Mangyans therefore exhibit a 'deep familiarity with the natural environment and a recognition of subtle variations between microecologies in a given area (Gibson, 1986:21, 33-34)'.

(Spaniards call them Moros) traders from Brunei, Sulu, and Mindanao dominated the trade (Salvador, 2004:3, Postma, 1972:78). Unfortunately, traces of initial impetus for development had to suffer the consequences of hundred of years of ceaseless wars between the Moros and the Spaniards, both seeking to control the terms of trade and its effects.

The Moros lost their ground when the Spaniards consolidated their trade monopoly over the Philippines. The Moros responded by plundering and destroying the island for almost 250 years of confrontation with the Spaniards (Schult, 1991:28). From then on, Mindoro lost its geostrategic location. Concentrating colonial powers in Manila and Cebu, the Spanish colonial government was unable to protect Mindoro as a commercial center (Gibson, 1986:13). Despite this, the wars and destruction that plagued Mindoro saw the unwavering determination and sacrifice of the people to protect themselves by taking up arms and establishing fortifications and towers (Schult, 1991:28-29).

Attempts at fortification did not prevent mass flight of people into the mountain interior or nearby provinces. Fear of the Moro attacks reinforced by malarial diseases in a tropical setting caused a demographic void. Few lowlanders settled in the periphery of the mountains while the interior offered sanctuary to various Mangyan groupings (Wernstedt and Spencer, 1967:429).

The Spanish monopoly of the trading system frustrated the development of Mindoro. Traditional trading system between the indigenous peoples and neighboring countries was restricted to the Manila-Acapulco galleon trade. Agricultural development was not visible while the natives paid tributes and suffered from forced labor (Schult, 1991:31).

Agricultural reforms took place in other provinces to support Spanish commerce and trade while Mindoro endured the Moro attacks (Gibson 1986:12-13). Subsistence economy existed in harmony with tenancy relations and patron-client relationship (Jocano, 1989:9-10; Kikuchi, 1989:102; Schult, 1991:71). The Mangyans and lowland Filipinos practiced slash and burn agriculture. There was no regular export or import of products from neighboring provinces. Opening of the Philippines to world trade in 1880's did not have any effect in Mindoro where the only means of communication between towns was by sea (Schult, 1991:31-32).

The inability of the Spanish government to institute social and economic reforms led to the formation of the revolutionary organization called *Katipunan* (a plebeian society) and its victory in 1896. Mindoro was liberated from the Spaniards in 1898 but immediately participated as a retreat and supply base in another revolution against the Americans. In 1903, the unyielding revolutionaries made Mindoro the last province to surrender. The Americans authorized the Filipinos to administer the provinces and municipalities (Ibid:50). In Oriental Mindoro, the local elite whose greater number were mostly migrants from Batangas, Cavite, and Marinduque quickly allied with the Americans and benefited from the distribution of land titles, opening of political offices, and the qualified right to vote⁷(Ibid:156).

Economic development commenced with the establishment of basic infrastructures. Roads, bridges, and piers were built to attract migration and facilitate exploitation of agricultural resources. Swidden agriculture was prohibited and the Mangyans were forced to settle in one area to officially register their cultivated lands. The ecological concern of the Americans over swidden farming was overridden by the need to concentrate people in one area for political control and taxation (Ibid:59-63).

The completion of free trade relations between America and Philippines in 1913 gave preference to products such as sugar, copra, abaca, and tobacco in the U.S. market. The Americans turned Hacienda San Jose in Oriental Mindoro into a large sugar plantation. Copra and coconuts were exported in large quantities. The result was an agricultural export economy tied to the US market. Copra production prevailed while rice cultivation suffered and failed to satisfy the needs of the settlers, old and new. Worst, only Hacienda San Jose had irrigation systems and mechanized production (Ibid:64-65).

Redistribution of property took the form of distributing homesteads but the inefficient bureaucratic process encouraged squatting. More importantly, the manner that properties were distributed reinforced the property structures dominated by the local elite who knew the laws and used them to their advantage. Mangyans lost many of their ancestral lands believing that actual cultivation and not 'titles' determine ownership (Ibid:66-69).

Education as a colonial policy became an ideological justification for continued stay in the Philippines. Industrial education replaced classical education to prepare students for the

⁷ The qualified right to vote was based on the income requirement.

implementation of modern agricultural methods (Ibid: 73). It was also a component of the paternalistic segregation policy to protect the Mangyans from exploitative lowland Filipinos. Future integration depended on the capacity for local governance with the lowland Filipinos. Further, the 1936 integration policy of the commonwealth government perpetuated exploitation of Mangyans as cheap labor for the lowland Filipinos (Ibid:76-81).

The situation worsened when the Japanese occupied the Philippines during the Second World War. Infrastructures were totally damaged and all means of transport and communication were limited. Nevertheless, while the export economy dependent on the US market was suspended, Mindoro became self-reliant in rice production (Ibid:108-109).

By the end of war, conflict between the old and new settlers became intense. The Mangyans who retreated to the mountain interior to avoid the Japanese found out that migrants now occupied their lands. Local elites survived by either resisting or collaborating with the Japanese. The export economy under US tutelage continued and brief self-reliance on rice production ended (Ibid:110).

Reconstruction after the war and declaration of Philippine independence in 1946 attracted foreign investments. Heavy exportation of lumber to U.S. and Japan brought mechanized logging but caused ecological damage (Gibson, 1986:21; Schult, 1991:118; Wernstedt and Spencer, 1967:433). Population increased due to the relatively peaceful situation compared to other nearby provinces experiencing insurgency problems. Private education began to overwhelm public education with the assistance of religious missionaries (Schult, 1991:119-120).

The next significant event that dominated the economic and political life of the people in Oriental Mindoro was the declaration of martial law on September 21, 1972 by President Marcos. Notwithstanding, international financial institutions and western countries released aid with an end view of integrating the Philippines in the world trade system as producer of agricultural raw materials (Ibid:125).

The Mindoro Integrated Rural Development Program (MIRD) was launched in 1975. The project includes construction of roads; building of harbor; protection of coasts and shores; construction of irrigation systems; support of agricultural products; schistosomiasis control program; and support of minorities. Added to these are the electrification programs, foundation

of rural cooperatives, and agro-industrial projects (Santos, 1982:1-20). The MIRD was meant as a model for the whole country but was plagued by 'bad management, inadequate planning, corruption, and over-bureaucratization (Schult, 1991:126).' Positively, MIRD made Mindoro self-reliant in rice production and an agricultural exporter of coconuts and rice (Schult, 1991:128-141; Wernstedt and Spencer, 1967:433).

In 1986, the people power revolt put an end to the martial law regime. The succeeding administrations of Aquino (1986-1992), Ramos (1992-1998), Estrada (1998-2000) and Arroyo (2001-present) followed the same path of development led by the dictates of privatization, liberalization, and deregulation and did not change much the development condition of Oriental Mindoro (Bello, 2004:220-223; Gaspar, 2000:3-6; Wurfel, 1988:288; MTPDP, 2001-2004).

Independently, the provincial government chose to build on its available resources and charted a path towards food sustainability, eco-agro-tourism, and agro-industrialization as its main economic thrusts. A great degree of success in the area of rice production ranked the province as the fourth largest producer of rice in the country with an annual income of P12 billion pesos. However, the proposed mining project threatens this status since the proposed Mindoro Nickel Project will cover 70% of the rice fields.⁸

3.3 Summary and Analysis

Sustainable development eluded Oriental Mindoro for various reasons.

First, the island's physical isolation from the densely populated islands of the archipelago brought many disadvantages. Migrants and potential land cultivators found it difficult to settle in the island not only because of the Moro attacks and malarial diseases but also, because of the undeveloped means of transport and communication either by land or by sea. In connection, trade and communication with nearby provinces became difficult especially with the added restrictions imposed by the colonial masters. Further, isolation of the island delayed the liberation from the Spaniards because of the distance it had with the leaders of the revolution. In contrast, its isolation provided the revolutionary government a base from which fight against the Americans could continue.

⁸ Interview with Fr. Gariguez.

Second, demographic problems caused delay in instituting any development intervention, useful or otherwise, by the colonial masters. Land cultivators and even local elites who would implement colonial policies had to be recruited. Aside from isolation, diseases, and linkages, slow demographic development in the island was also caused by significant number of deaths during the Spanish-Moro wars, Revolution against Spain, Filipino-American War, and Japanese Occupation. Interestingly, same developments would appear in the struggle against mining by the end of the 20th century. Steady escalation of protest movements will force another mass flight and mass murder of Mindoreños for exactly the same reason- threat to their survival caused by a foreign intrusion with the aim of advancing economic interest and power in the international structure of the world economy by plundering their resources and destroying their peaceful community life.

A change of face but with the same intent. The colonial masters are replaced by a multinational mining company but employ the same divisive tactics to facilitate domination, instill fear, and promote dependent and stagnant development. The social movement formed to resist mining in Oriental Mindoro plays the role of the valiant *Katipuneros* who never desisted in protest actions until victory. The Philippine national government will not find it difficult to act out the oscillating character of the local elites in Oriental Mindoro who accepted whatever intervention, domination, or oppression as long as their power base remained intact. These historical coincidences cannot be denied.

Third, outsiders always dominated the trading system of the traditional inhabitants. The Muslims dominated early trading with the Chinese, the Spaniards monopolized trade by suppressing traditional and independent trading linkages while retaining the subsistence economy, the Americans established a dependent export-oriented economy, the Japanese destroyed whatever development there was, and succeeding administrations in the postcolonial Philippines found comfort in the neoliberal policies of structural adjustment programs. Briefly, the cycle of Oriental Mindoro's economic development started from a subsistence economy, war-damaged economy, export-oriented economy, brief self-reliance, and war-damaged economy and to its present dependency and underdevelopment.

Fourth, political development was characterized by formation of local elites whose power base was tied to land, business interest, and education. They were quick to adapt to new situations and managed to survive the change of power from one colonial master to another.

Close ties to the colonial masters made difficult the opening of political spaces. Even in postcolonial Philippines, military rule and patron-client relationship trusted only very few families to govern the economic, social, and political life of the people of Oriental Mindoro.

Fifth, social injustice highlighted systematic disregard of the survival of the Mangyans. They have swung in the pendulum of retreating to the interior, segregation in various settlements, integration with the Christian lowlanders, invasion, and exploitation by the colonial masters, new settlers, Christian lowlanders, and multinational companies who take interest in their land and abundant resources.

Therefore, if sustainable development involves promotion of economic growth, ecological sustainability, and social justice, then, Oriental Mindoro has never taken part in such processes. The potential contribution of the traditional livelihoods of the Mangyans and the traditional trading system of both the Mangyans and the lowlanders in Oriental Mindoro was reduced into mere historical events through the interruption of foreign elements started out by the Moro raiders. The transformation of Oriental Mindoro into an export-oriented economy violates the principle of self-reliance and satisfaction of the basic needs of the people. The economies of the colonial and neocolonial masters are sustained while Oriental Mindoro's economy stagnates.

Development interventions promoting lack of diversification of crops in an exportoriented economy, logging activities, and the ill effects they bring deny any ecological sustainability to Oriental Mindoro. The prohibition of the Mangyans swidden farming for fear of exhaustion of nutrients in the soil is ignorant of their deep familiarity of the environment and livelihood strategies. Lastly, consistent displacement of the people of Oriental Mindoro, especially the Mangyans, to accommodate development interventions is a social injustice that cancels any aspiration for sustainable development.

The potential for sustainable development lies in the historical commitment and ability of the people of Oriental Mindoro for collective responsibility and to protect their community from outsiders whom they perceive as threats to their survival and genuine development.

The next chapters will discuss how this potentiality is challenged and realized for purposes of achieving sustainable development defined according to the needs of the people.

CHAPTER IV

IS SUSTAINABLE MINING POSSIBLE IN THE PHILIPPINES?

This chapter will analyze the sustainability or non-sustainability of mining in the Philippines by discussing the dominant discourse and the counter discourses, which will contextualize the arguments in the next chapter.

4.1 The Dominant Discourse on Mining

The legal framework governing policy decisions on Philippine mining is based on Republic Act 7942 or the Philippine Mining Act signed into law by President Fidel V. Ramos on March 6, 1995. The law anchors on par. 1., Section 2., Art. XII of the Philippine Constitution, which states that 'the exploration, development, and utilization of natural resources shall be under the full control and supervision of the State.'

The three major mining rights authorized in the mining law are exploration permits (EP), mineral production and sharing agreement (MPSA), and financial or technical assistance agreement (FTAA) (Chapter IV-VI of R.A. 7942). The provision that received the most criticism is the FTAA because of its 100% foreign equity, which would amount to a total sell out of Philippine patrimony to foreign capital.⁹

Forestalling opposition, the mining industry and the national government through the Mines and Geo-Sciences Bureau (MGB) launched a massive propaganda campaign. In the 1998 National Workshop on Indigenous Peoples, MGB disseminated the document 'A Response to the Issues Raised against Mining' (MGB, 1998). The document argues that fears and unwarranted claims have deprived an understanding of mining as integral to the country's economic agenda (p.1).¹⁰

MGB explains that mining survived as an industry because it responds to the minerals that society demands. This is the context where the arguments lead the reader to think of mining as sustainable. However, arguing that mineral exploitation will translate into community welfare exposes MGB's weak grounding of sustainable development (p.1-2). It claims that mining is one

⁹ Interview with Representative Umali and Dr. Jun Saturay.

¹⁰ MGB points to the untapped mineral resources worth approximately \$8000 billion to \$1 trillion pitted against the external debt of \$57 billion, which could help the ailing economy (Carlito, 2004:1).

of the development options for the people defined as the ability to access and maximize all available resources, in this case, mineral resources. However, MGB contends that development will not materialize unless the country competes for investment capital, thus, the rationale of the Mining Act of 1995 (p.4).

Development as defined by MGB justifies displacement of communities due to the elusiveness of minerals (p.5). This leaves the entire archipelago open for mineral extraction of great quantity and quality. However, MGB argues that relinquishing vast track of lands to mining companies is a fallacy because mineral exploration does not necessarily lead to mining considering that the ratio of finding deposits for every exploration project is a disappointing 1:500 (p. 6-9). Furthermore, no mining company can operate without the consent of the affected communities especially the indigenous peoples.

The national government argues that the inclusion of provisions on indigenous peoples in the Mining Act of 1995 and the enactment of the Indigenous Peoples Rights Act or Republic Act 8371 prove that promotion and protection of indigenous people's rights is guaranteed in mining. Indigenous peoples are empowered through the 'free and prior informed consent (FPIC)' provision in the mining law where they have the right to veto against any mining operation. Further, MGB boasts that the physical space and community life of indigenous peoples will be enhanced through an environmental management transforming 'disturbed areas into productive uses' such as conversion of tailings dams into grazing lands, vegetable farms, mini-golf courses, and eco-tourism sites (p.10). In reality, there are no real cases where these conversions occur.

Most importantly, MGB draws attention to an equitable profit sharing between the national government, local government units, mining company, and affected communities. The national government receives fifty percent of the net present value of the project cash flow excluding indirect taxes and contributions. Of this percentage, forty-eight percent is apportioned to the national government, eleven percent for the provincial government, twenty-one percent for the host municipality and, twenty percent for the host community/ies (p. 12-16).

¹¹ Recently, the United Nations Permanent Forum on Indigenous Peoples Concerns announced that it has been monitoring the application of the Indigenous Peoples Rights Act hailed as pioneering in Asia because of its provisions on indigenous peoples and environmental and social provisions parallel to those of industrialized countries (PDI, October 29, 2004).

Finally, MGB warns against unwarranted repeal of the mining law for it will revive inadequate laws enacted during the administration of former President Aquino.¹² Further, protection for indigenous peoples, local governments, and communities who stand to benefit from the share of profits will be erased. Most importantly, MGB fears the flight of capital and technology (p. 15-16).

The totality of arguments makes up what the Philippine government, through the MGB envisions, a sustainable development through responsible mining.

4.2 The Anti-Mining Discourse

The counter discourse on mining laid its claims against the negative impact of mining and the Mining Act of 1995. Corpuz et.al (2004:9-13) argue that mining is only capable of promoting disunity, marred consultations, displacement, and militarization.

First, significant cases in the Philippines establish the disunity caused by mining. The Australian-owned Western Mining Corporation (WMC) pitted the genuine tribal councils organized by the B'laans in Southern Mindanao against their sponsored tribal councils. The Lepanto Mining Company used the Chaloping family who were no longer resident in the Mainit, Mountain Province to stake ancestral claims in the community. The company thought that this would delay and even negate the ancestral domain claims of the residents of Mainit since under such circumstances, the mining law allows mining companies to temporarily operate (Ibid:9).

Second, FPIC has been the subject of abuse among mining companies. Communities are bribed and made to sign blank papers later used as proof of their consent (Ibid:10).¹³

Third, displacement occurs even with legislations protecting the indigenous communities. On the eve of the passage of the mining law, the Toronto Ventures Incorporation (TVI) in Zamboanga already ventured into the ancestral domain of the indigenous Subanen people. In the far south of Mindanao, the indigenous peoples of Tagakaulo, B'laan, and Manobos are in danger of losing their ancestral domain because of the approved FTAA of WMC. Interestingly, even

¹² Executive Order No. 279 and the Implementing Rules and Regulations (DENR AO Nos. 57/82/63)

¹³ This happened in Zamboanga where the Toronto Venture Incorporated (TVI) was based.

those areas that have been secured for the indigenous peoples through the release of the certification of ancestral domain claim (CADC) have been subjected to explorations (Ibid:10-11).

Fourth, militarization accompanies mining activities in many parts of the country. Military checkpoints became normal occurrence in Zamboanga del Norte when the TVI operated. The military use the presence of communist rebels to justify entry in villages. For example, the 50th Infantry Battalion of the Philippine Army was deployed in areas where villagers opposed the Lepanto Mining Company's operations. The same happened in the province of Aurora where the Omnigroup, and Chase Mining Limited operated (Ibid:11-13).

Militarization of communities transformed local struggles into a nationwide struggle with greater militancy. Nationalist movements, big NGOs, and communist rebels made known their support to the affected communities through various means (Minewatch Asia, undated:1). Local communities heightened their struggle to the point of armed resistance. A case in point is the declaration of the Pasaka Lumad Confederation in Southern Mindanao to wage rebellion if the Philippine Constitution is amended to allow foreign ownership of lands (Ibid:2).

Mining continuously divide, deceive, displace, and militarize local communities with the connivance of the military and silence of the national government. On the other hand, local people painstakingly struggle and are reaping victories. In Panay, a mining company halted operations after local opposition. The referendum held in the Kasibu town of Nueva Vizcaya vetoed out Arimco Climax Mining Company. Three open pit-mining operations of Benguet Corporation were also closed down due to strong opposition of the indigenous communities (Ibid:2).

4.3 Summary and Analysis

The Philippine national policy on mining envisions 'sustainable development through responsible mining'. The government lays claim to numerous progressive legislations that guarantee the realization of such vision. Specifically, the legislations that frame the national policy on mining are the Mining Act of 1995 and the Indigenous Peoples Rights Act of 1997. The major issues that arise out of investigating the salient provisions of these legislations are twofold: bigger foreign equity shares and veto power of indigenous peoples against mining.

First, the Mining Act of 1995 joins hundreds of contested laws in the Philippines because of its unconstitutional provisions, declared or undeclared by the Supreme Court. The incentives given to mining companies especially the 100% foreign equity provided for in the financial and technical assistance agreement violate the constitutionally mandated protection of national patrimony and sovereignty. Mining and foreign domination of the mining sector is not the trajectory of development that Filipinos want.

Second, the veto power of the indigenous peoples affected by mining should be understood as an admission that mining is not socially acceptable. The authors of the law must have known the negative impact of mining on communities, thus, token provisions of 'free and prior informed consent' and profit sharing merely serve to mitigate and appease unrest.

The seriousness of the implementation of the veto power wilt as mining companies employ deception, bribery, and force to circumvent the law. Social injustices committed by mining companies against the rights of indigenous peoples attack the core argument of responsible mining. Intrusion into ancestral lands endangers the livelihoods of communities and put people's survival at risk. Genuine development does not destroy livelihood nor put people at risk. It does not frustrate attempts at developing a sustainable future.

It is not surprising that the Philippine government finds it difficult to realize sustainable development. Postcolonial regimes recklessly adhere to the rhetoric of sustainable development by formally signing international conventions but pours greater amount of resources to the neoliberal agenda articulated by the Medium-Term Development Plan's three goals - liberalization, deregulation, and privatization.

The absence of commitment for sustainable development leaves sustainable mining impossible to visualize. Therefore, mining as a development intervention imposed in communities will always be resisted. People will always find ways to engage in counter-discourses culminating in the formation of movements epitomizing their chosen vision of development. The next chapter will discuss and analyze the social movement opposing mining in Oriental Mindoro to prove this argument.

CHAPTER V

THE STRUGGLE AGAINST MINING IN ORIENTAL MINDORO: A SOCIAL MOVEMENT FOR SUSTAINABLE DEVELOPMENT

Previous chapters underlined the underdevelopment of Oriental Mindoro resulting from colonial and postcolonial development interventions and the inability of the Philippine government to commit to development that is sustainable and people-centered.

The crisis of development in Oriental Mindoro and Philippines in general facilitated the entry of a multinational company with the promise of prosperity. However, historical displacements accompanying development interventions and appalling experiences of other communities with mining united the people of Mindoro to resist such intervention.

This chapter will discuss how these development conditions triggered the emergence of a social movement that eventually became a catalyst for the conceptualization of a locally induced sustainable development.

5.1 The Mindoro Nickel Project

On March 14, 1997, the Department of Environment and Natural Resources (DENR) granted the Norwegian company, Mindex Resources Development, an exploration permit covering a concession area of 9,720 hectares traversing the island of Mindoro in the west (occidental) and east (oriental). Large portion of the concession overlaps with the ancestral domain of the Mangyans. The Mineral Production Sharing Agreement (MPSA) granted to Aglubang Mining Corporation, a subsidiary of Mindex, on December 7, 2000 permitted the right to explore, develop, and utilize minerals found in an area of 2, 291 hectares (MGB, 2004). In May 23, 2003, Mindex merged with a Canadian mining company Crew Gold Corporation (Eraker, 1999:1-2).

The proposed mining project will use strip-mining method in a concession area potentially supplying ore for at least 30 years of nickel-cobalt production (CREW, 2004:1). The project expects to produce 40,000 tons of nickel and 3,000 tons of cobalt, which will produce four million tons of waste annually. The submarine tailings disposal system (STD) will dump the ore slurry to the Tablas strait through a forty-three kilometer pipeline (Coumans, 2002:8).

Mindex/Crew explained that the proposed project will extract ore from four to ten hectares of the concession area and guaranteed that the topsoil will be rehabilitated as soon as the mining operation ceases. The processing plant will use sulphuric acid to extract nickel and cobalt from the ore instead of the conventional smelting plants to ensure that the dead laterite ore will not react with other natural substances and produce acid rain (Eraker, 1999:2).

Mindex/Crew promised employment and income for the province to secure social acceptability for the project. The company estimated employment of 2,500 people during construction and 1,000 on a permanent basis, which will amount to annual revenue of P200 million pesos for the two provinces of Mindoro (Ibid:2). Social acceptability was never achieved.

5.2 The Opposition to Mining in Oriental Mindoro

5.2.1 The Alliance Opposed to Mining

The Alangan and Tadyawan Mangyan tribes staged the earliest opposition to the proposed project to protect their ancestral domains. ¹⁴ Joining them were farmers and fishermen of the town of Pinamalayan who suffered from the death of the Boac river in Marinduque caused by Placer Dome's mining operations (BalikKalikasan, 2001:3).

On May 4, 1999, the NGOs, farmer, fishermen, and Mangyan federations, youth, women, church, local government officials, and media personalities convened to form the Alliance Opposed to Mindex. The multiplicity of interests of the members limited the basis of unity to oppose Mindex/Crew, leaving the Kalipunan ng Makabayang Mindoreno (Association of Nationalist Mindoreños) to separately campaign for the repeal of the Philippine Mining Act of 1995. However, when the response of Mindex/Crew and the military to the protests became deceitful and violent, ALAMIN adopted the position of *Kalipunan* and changed its name from 'alliance opposed to Mindex' to 'alliance opposed to mining' (Coumans, 2002:9; Gariguez, 2003:21; Saturay, 2003:4-7).

¹⁴ Experience in the 1986 protests against logging companies has prepared them for future intrusions such as mining. Same reasons forced the normally peaceful Mangyans to fight back: impossibility of retreating to the interior because of the presence of many new settlers, expanding operations of big logging and mining companies, intensifying operations of the NPA, and increasing awareness of their distinct culture (Schult 1997:247-255).

ALAMIN strengthened the alliance through the wide-ranging support it received from regional, national, and international organizations. Regionally, the Southern Tagalog Environmental Action Movement (STEAM) enabled the alliance to learn from the experiences of other provinces, which are also fighting against mining. Nationally, the KALIKASAN-People's Network for the Environment (KPNE), Center for Environmental Concerns, and an organization of scientists and experts in different fields assisted in environmental investigative missions, provided a national character to the struggle, and linked the alliance with international organizations. The outpouring of support from international organizations came in the form of solidarity statements, action alerts, and financial, technical, and material support. Among them are Changemaker-NCA and Miningwatch of Canada, Norwatch from Norway, Philippine Indigenous People's Links in UK¹⁵, Oxfam, and Friends of the Earth International (Saturay, 2003:7-8).

Varied forms of protest actions were adopted to substantially inform and educate the people of Oriental Mindoro about the issues surrounding the mining project. Educational campaigns took the form of symposia, fora, and smaller discussion groups in the interior of the province. Leaders used the media to articulate their position together with video showing, photo exhibits, flyers, flags, streamers, street theater performances, mural, effigies, and prayer rallies (Ibid:9-13). To avoid conflict of interests in the alliance, ALAMIN tolerated propaganda materials from *Kalipunan* but distributed them separately. The national democratic agenda of *Kalipunan* and its association with the militant Bagong Alyansang Makabayan (*Bayan*, New Nationalist Alliance) caused fear that the alliance will be labeled communist.¹⁶

The Communist Party of the Philippines (CPP) and its armed-wing New People's Army (NPA) has a stronghold of Oriental Mindoro, which makes the government suspicious of any groupings critical to it. Expectedly, Mindex/Crew accused ALAMIN of having links with the CPP-NPA and threatened the government of former President Estrada that investments will be withdrawn if military security is not provided. What followed was massive deployment of the military and human rights violations. At the height of the struggle in 2000, nine battalions were deployed excluding police, intelligence, and paramilitary elements. Militarization of Oriental Mindoro was justified on the grounds of communist insurgency (Tuazon, 2002:1-2).

¹⁶ Interview with Dr. Jun Saturay.

¹⁵ PIPL's campaign against Mindex can be found at http://www.philsol.nl/B99/Mindoro-may99.htm

The United Nations Special Rapporteur on the Rights of Indigenous Peoples, Dr. Rodolfo Stavenhagen, reported serious human rights violations resulting from mining activities in Oriental Mindoro and aptly called it development aggression (Stavenhagen, 2003:24). The Amnesty International confirmed these violations in its report (Index:ASA 35/002/2003):

'Since April 2001 at least 30 unarmed civilians have been killed, reportedly by members of the AFP or the CAFGU militia. They include at least three people who were members of the prominent human rights organization, *Karapatan*. At least 27 other activists, most of whom were members of the opposition party *Bayan Muna*, have also been killed. Many of the killings occurred on the island of Mindoro. Other *Bayan Muna* members have been shot at, detained, threatened or harassed. Four members of *Bayan Muna* disappeared in February 2002 and are feared to have been killed'

The military labeled ALAMIN leaders and sympathetic local government officials as terrorists.¹⁷ Food blockades, curfew, interrogation of anti-mining activists, harassments, and deaths forced the anti-mining activists and the indigenous Mangyans to seek refuge in the churches of Calapan City and later, with the worsening of the situation, joined the continuing massive evacuation to Manila (Saturay, 2003:17-18; Manalansan, 2002:1-4; Malanes, 2002:A18).

5.2.2 ALAMIN's Major Arguments for Opposing the Mine

The tenacity of ALAMIN's struggle against mining reveal in an uncompromising resolve to uphold the right of the Mangyans to their ancestral domain, the right of the farmers and fishermen to their resource base, and the right of the people to an ecologically sustainable environment. Any definition of sustainable development would mean survival, of people, of livelihoods, and of culture.¹⁸ Compromises to Mindex/Crew and withdrawal of struggle out of

¹⁷ The death of Vice Mayor Juvy Magsino of the town of Naujan can be read from the following websites:

http://www.inq7.net/opi/2004/feb/17/text/opi_editorial-1-p.htm,

http://www.dev-zone.org/knowledge/Take_Action/Human_Rights/. In addition, in an interview with Fr. Gariguez, who was labeled as a dissident terrorist, he specifies that he himself was forced to leave Mindoro because of military harassment.

¹⁸ Interview with Dr. Jun Saturay and Representative Valencia.

fear of the military will mean betrayal to the future generation of Mindoreños who have to suffer from their inaction (Cacha, 2000:2).

In numerous occasions, ALAMIN expressed that their struggle is an exercise of the right to self-determination and the right to choose the kind of development they want. Even poverty alleviation must start from their definition of poverty, which necessitates an understanding that poverty does not only mean lack of material goods but most importantly, lack of access to decision-making in their own communities (Indigenous People's Declaration on Extractive Industries, 2003). Rightly, they assert that, together with their local government officials, their choice of community development and the risks that come with it should be respected (ALAMIN, 2001). What they want is a development that does not contradict the basic rights and welfare of the people 'pursued in the line of promoting equity, poverty alleviation, justice, integrity of creation and common good (Gariguez, 1998:8).'

In solidarity with the peoples struggle, ALAMIN unequivocally stated that the opposition to the mining project is a bold commitment to fight for the recognition of the right of the people to 'chart our own direction of development'. Further, the provincial government declared the incompatibility of large-scale mining to the sustainable agenda of the province anchored on food security, eco-tourism, and agro-industrial development (Evora, 2002:1). The Provincial Physical Framework Plan (1993-2002) institutionalized this agenda by stressing the use of environment-related strategies for sustainable land use (Gariguez, 1998:8).

The alliance also brought forward several ecological concerns. First, the strip mining method will remove the remaining 6% of the forests already deforested by decades of logging activities. Erosion, flooding, difficulty of rehabilitating the mined sites, and effect on the major watershed for several large rivers of the regions covered by the mining site are the heavy concerns. Use of filter mats made by organic material covering the soil to prevent erosion did not appeal to the people (Eraker, 1999:4; Drillbits and Tailings, 2002:1).

¹⁹ Joint Position Paper of the Provincial Government of Oriental Mindoro, ALAMIN, and the Clergy of the Apostolic Vicariate of Calapan on the Revocation of the Notice of Cancellation of Aglubang MPSA by the Office of the President

²⁰ Also in an interview with Representative Umali and Valencia.

Second, ALAMIN fears that the pipeline used for STD will run through earthquake prone areas causing leaks, which will damage the Naujan Lake National Park²¹ and contaminate fertile agricultural lands. Mindex/Crew responded that the transported ore is the same as the natural sediments transported to the lake through erosion and will not cause any harm. Further, pipelines are earthquake proof with alarm systems and safety valves, water will be pumped to a minimum, and recycling is planned (Coumans, 2002:4,11).

In addition, the discharge of waste containing high contents of chrome and smaller amounts of copper and zinc into 200 meters below sea level is feared to contaminate the Tablas strait, ²² one of the country's most important fishing grounds. The fear stems from the death of the Boac River caused by the Placer-Dome mining operations in the nearby province of Marinduque (ALAMINMAHAL, 2001). Mining companies have argued for the appropriateness of STD although damage to several communities already caused its ban in many industrialized countries. ²⁴

5.2.3 The Response of Mindex/Crew

Responding to the solid organizing and mobilization of the alliance was not difficult for Mindex/Crew. It appealed to what it called Filipino culture and caused the polarization of communities in Oriental Mindoro. To secure social acceptability, Mindex/Crew gave gifts, paid study-tours of local authorities, sponsored beauty contests, and bribed journalists. Mindex/Crew admitted giving gifts but explained that this was to accommodate people's request for assistance and were distributed during important Filipino celebrations and gatherings (Eraker, 1999:8-11).

Mindex/Crew polarized communities by conniving with the National Commission on the Indigenous Peoples (NCIP) to fast track the certification process of FPIC. To avoid dealing with the Mangyan opposition, NCIP ignored traditional formations and insisted on creating a new organization, named *Kabilogan*, which included only fifty families. Mindex arranged for the election of officers. On January 12, 1999, NCIP issued the FPIC certification pre-empting the position taken by *Kabilogan* in favor of mining operations on April 18, 1999. On December 7,

²¹ The Naujan lake is home to the Mindoro crocodile listed by the IUCN as among the threatened species.

²² Tablas strait is home to migratory tuna Auxis thazzar. Whales, dolphins, and sea turtles are sighted in the area. It is within the boundaries of Pinamalayan municipality having a population of 74,000 with 391 registered fishing households. The municipality is considered as the provincial growth center (Maralit 2001).

²³ Interview with Representative Umali.

²⁴ Manado Declaration on Submarine Tailings Disposal

2000, the FPIC certification authorized the DENR to grant the MPSA to Mindex/Crew (Coumans, 2002:8).

The formation of *Kabilogan* created animosity with villagers belonging in traditional organizations. This notwithstanding that the member's agreement to form the organization was primarily to secure and expedite CADC processing, an action advised by the NCIP, and not to grant Mindex/Crew the FPIC.²⁵ The NCIP deceived the members and asked them to re-apply for their right to ancestral domain although their lands were already registered in 1997. The members admitted receiving rewards²⁶ for following NCIP and supporting Mindex/Crew (Gariguez, 1998:4-5; Coumans, 2002:8). The actions of NCIP and Mindex/Crew were clear violations of Section 3g, Chapter II, of RA 8371 mandating that free and prior informed consent of the indigenous peoples should be 'free from any external manipulation, interference and coercion.'

5.2.4 Victories Won by ALAMIN

The MPSA was granted to Mindex/Crew at the height of the people power revolution against its major sponsor, former President Joseph Estrada whose term was cut short in January 2001. Estrada's removal and the new administration's initial stance for consensus building and people-centered policies paved the way for the revocation of the Mineral Production Sharing Agreement on July 16, 2001. Mindex/Crew disputed the decision, threatened to review its options under the Foreign Investment Protection Agreement signed by Canada and Philippines, and continually discussed with local government officials in Oriental Mindoro the merit of the proposed nickel mining project. On the other hand, DENR Secretary Heherson Alvarez defended the decision by arguing that the mining project will cause irreparable damage to the environment, threaten human lives, health, and livelihood capacity of farmers and fisherfolk, and endanger food security (Philippine Star, 2001).

The decision to revoke the MPSA was politically motivated to satisfy the broad coalition of groups, which brought Arroyo into power. Nevertheless, it was a clear affirmation of the legitimate claims of the Mindoreno's for a development without damage to the environment, loss of lives, disrespect of culture, and ultimately, development that prioritizes their survival needs.

²⁵ Interview with Representative Valencia.

²⁶ Monthly cash allowances, buffaloes, and agricultural equipment among others.

The revocation of the MPSA is a concrete indication of the success of the struggle against mining not only for Mindoreños but also for all communities affected by mining activities in the country. It is but natural that national calls for revocation follow and are also fought for with the same vigilance (Brazas, 2001). It also 'proved the strength of the people power and the Mindoreno's high level of understanding of environmental issues' (BalikKalikasan, 2001).

The success of ALAMIN at this stage of the struggle was due to the partnership of local people and their local political elites.²⁷ The political elites worked closely with the broad coalition of groups and formalized this on January 28, 2002 in the form of a 25-year moratorium ban (SP Ordinance No. 01-2002) of large-scale mining for the whole province, this notwithstanding the national government's thrust of liberalizing the mining industry (Southwest Times, 2002). The local government officials also felt that they had an obligation to their constituents to stand up against Mindex/CREW.²⁸ As a result, the struggle crystallized the potential of local social movements to gain the wide-ranging support of local representatives of state power. This is a phenomenon that, though part of the common pattern of how social movements work to gain the leverage and power to ensure success, has not been explored and actualized in many contestations of power between social movement actors and representatives of the state (Razon-Abad and Miller, 1997:173).

The condition highlights what Tarrow (1994:123-138) calls political openings discussed earlier in the conceptual framework of this paper. Clearly, the struggle against mining managed to create formation of alliance with political elites. What allowed the tight alliance between the two forces, social movement and political elites, is the clear-cut apprehension of the threats of the proposed mining activities, its direct negative impact on the lives, survival and cultural existence of the people and the autonomy of the local government units to decide on their path to development.

Second, the multi-sectoral character of the alliance opposed to the mine provided the struggle with its needed unity and strength. Most importantly, it was able to resolve the different objectives of the member organizations by focusing on the unified and specific opposition to the proposed mining operation of Mindex/Crew. On the other hand, the discipline and respect of

²⁷ See for example the privilege speech of former House of Congress Representative Charity Leviste, First District, Oriental Mindoro on March 5, 2002 delivered at the Committee Hearing of the Committee on Natural Resources. http://groups.msn.com/ALAMINMAHAL/miningnotproperinmindoro.msnw>

²⁸ Interview with Representative Umali.

the member organizations under ALAMIN was shown by *Kalipunan's* ability to concede to the demands of the majority thereby keeping the alliance intact. These are internal politics that the alliance has successfully overcome, which in itself is already a victory in organizational politics.

The alliance may have taken a protracted route to achieve their goals but it was able to sustain its actions because of its chosen principles of non-rigidity in goals and strategies (Gariguez, 2003:22). In the context where communist rebellion in Oriental Mindoro is active and that a number of organizations within ALAMIN have a leftist orientation, it nevertheless pursued its reformist stance. It remained with calls of rectifying or neutralizing perceived threats to the survival of the Mindoreños caused by Mindex/Crew's proposed mining operation. The reformative collective actions only sought limited change in the social system (Gariguez, 2003:23; McAdam and Snow, 1997). Therefore, the alliance was able to sustain not only its protest actions but also its political and organizational independence.

What remains disturbing is that although ALAMIN made clear its intentions and clarified its organizational nature, they were not able to escape from the vileness of militarization. Successive murders and disappearances made the struggle known to Filipinos nationwide. Clearly, the military apparatus of the state does not distinguish between communists and non-communists, leftists and moderates, sympathizers and ordinary victims, observers and organizers. It branded all members of the opposition as communists. Politicians and ordinary citizens alike were the same target of militarization in Oriental Mindoro.

The unfortunate suffering of the victims of the struggle against mining brings to fore the important conceptual orientation that this study adopts. While the specific struggle of opposing the mining operation of Mindex/Crew will result to what Chambers (1986:13) explains as prioritizing livelihood, equated in this paper as their survival need, than the longer-term effects of development, it denies the people their ability to craft a 'sustainable' development. The victory alluded to by the revocation of the MPSA and the 25-year moratorium on mining will not be able to sustain itself when the bigger issues of liberalization of the mining industry are not addressed. If the alliance will isolate and not force itself to engage in national and international issues such as those fought for by *Kalipunan*, they will continue to be subjected to killings and tortures without understanding why they occur.

Therefore, there is a need to link the local issue to national and international issues affecting the mining policy in the country. While local approaches to development are urgent calls, the issue of power relations between foreign multinational companies, their sponsoring states and the position of national elites in the general structure of the world economy is an arena for contestation. The international structure of the world economy limits successes in the local level because of the powerful foreign interests' immense reach and influence to individual state's policies. In this case, the Mindoreños have won over the Mindex/Crew in 2001 but this victory is about to be washed away by the government's adherence to liberalization and globalization and creation of the new policy to revive the mining industry with active participation of foreign multinational companies. This paper then affirms Chambers' pursuit of local development by putting people first but most importantly, incorporates the political economy approach advanced by Redclift (1987).

Another character of the struggle against mining contributing to its victory is the high level of networking and solidarity reached by the alliance (Coumans, 2002:12). Lastly, the strong foundation of the alliance is the previous collective experience of the people in opposing colonial and postcolonial activities that threaten their survival and development.²⁹

5.2.5. Present and Future Challenges

Recent developments on the Philippine government's policy on mining will force the social movement actors in Oriental Mindoro to re-think the nature and form of their struggle. The unequal structure of the world economy continues to force the liberalization of the mining industry and protect the interests of the transnational mining companies. When President Arroyo revoked Aglubang's MPSA, she said that because mining lacks social acceptability the priority of the government will be refocused on the information technology sector (Gavlican, 2001). However, in 2002 the World Bank warned the Philippines to focus on its untapped mineral potentials instead of the unstable information technology sector (Dumlao, 2002). This advice culminated into the Country Assistance Strategy 2003-2005 strongly urging the government to reverse the constitutionally mandated prohibition on 100% foreign ownership of

²⁹ In an interview with Representative Umali, he said that the 1993-1994 typhoon that devastated the province confirmed the collective spirit of Mindoreños leading to the creation of the Provincial Care Council chaired by the provincial government in coordination with the church, indigenous peoples, NGOs, people's organizations, and civil society.

domestic mining firms, attract investors by providing numerous incentives, and relax environmental standards and monitoring procedures (Corpuz, 1999:6; Saturay, 2003:19-20).

The Arroyo government immediately crafted the National Minerals Policy (NMP), which will 'make the industry competitive and prosperous to fuel sustained economic growth and development, contribute to poverty reduction with enhanced participation of, and benefits accruing to, local and indigenous communities and fostering a sustainable and responsible minerals industry (MGB, 2002:1).' Further, victories won by anti-mining movements prompted the Arroyo administration to issue Executive Order No. 270 to assure the foreign investors, the World Bank and its donor community, of an unhampered liberalization of the mining industry (ALAMIN Unity Statement, 2003).

On January 30, 2004, the Supreme Court made a landmark ruling that the FTAA provision in the Philippine Mining Act of 1995 is unconstitutional for granting 100% equity to foreign corporations over mineral lands. ALAMIN and the mining opposition in the Philippines felt vindicated (Kalikasan, 2004) but the mining companies received the ruling as a short-term interruption since the President was on their side (Quinn, 2004). The companies were right. On March 10, 2004, President Arroyo revoked the Notice of Cancellation/Termination of the MPSA granted to Aglubang Mining Corporation on a flimsy ground that the mining company was not afforded due process when in fact, it engaged into numerous meetings and hearings with the DENR. Nevertheless, the provincial government of Oriental Mindoro and ALAMIN made clear their position that the struggle against mining will continue. In fact, a new coordinating council was created representing different components of the social movement to immediately plan future activities. In other parts of the country, calls for final scrapping of the Mining Act of 1995 heightened (Laurente, 2004; CPA, 2004).

Whether ALAMIN will continue to remain a loose network limiting its basis of unity to the opposition of the Mindoro Nickel Project or transform itself into a social movement demanding for structural changes not only in the province but national and international as well is an open question. *Kalipunan* may use this political opportunity to advance its nationalist-democratic agenda and elevate the struggle from local and specific to national, structural, and

³⁰ "Joint Position Paper of the Provincial Government of Oriental Mindoro, ALAMIN, and the Clergy of the Apostolic Vicariate of Calapan on the Revocation of the Notice of Cancellation of Aglubang MPSA by the Office of the President." 24 March 2004. 3 August 2004

http://www.minesandcommunities.org/Country/philippines12.htm

³¹ Interview with Fr. Gariguez.

even ideological. In the end, the transformation and continuity of ALAMIN as a social movement will ultimately depend on how the experience of the struggle against mining in Oriental Mindoro raised the level of political consciousness of the members to a stage where they feel that their efforts and sacrifices produced victories and that it has stimulated re-thinking of 'development', which Chambers describe as 'putting the people first.'

5.3 Summary and Analysis

This chapter argued in favor of the premise that mining is a development intervention viewed as an intrusion to the sustainable development of the people. If by sustainable development we mean economic growth, ecological sustainability, and social justice, then all these elements are transgressed by the proposed mining project.

Mining denies Oriental Mindoro its needed economic growth by subverting its development role as primary producer and exporter of rice to mineral dependence. The promise of mineral wealth cannot compensate for the loss of traditional livelihood and a development trajectory fashioned in self-reliance. What wealth is there to take pleasure in when the community life is dead? As soon as minerals are exhausted, Oriental Mindoro will be left with ruined lands, dislocated communities, unemployed men and women, and a stagnant development waiting for another intervention and further destruction, which will delay and prevent any genuine development aspired by the people.

In addition, uncertainties predominate in discussions of ecological sustainability. Mindex/Crew was not able to ensure prevention of ecological damage but offered further ecological disasters. Ecological sustainability intertwines the issue of development and environment. Destruction of the environment is not external to the people of Oriental Mindoro especially the Mangyans. It profoundly disturbs survival of culture, livelihood, and integrity as a people.

Social justice demands respect for the right of the people to decide for their future. However, Mindex/Crew's disrespect of FPIC stands against the sustainable development practice explained by Pimbert and Pretty (1997) as responsible and accountable interaction shown in signed agreements, consultative processes, and establishment of local rules for the protection and conservation of natural resources of the indigenous people.

As a result, non-sustainable mining generated conflict of interest between the national government who favors mining as a national policy, the transnational mining company Mindex/Crew, and the military on the one hand and the social movement actors on the other. The violent interaction between the two forces is a natural outcome of a violent intervention such as mining that threatens the survival of Mindoreños.

With the support of the local government officials, the struggle becomes one of a contestation between local development and national development. The local government officials were able to actualize a system of learning and interaction with the people of Oriental Mindoro, described by Pretty (1994) and Chambers (1991) as an alternative to top-down development practice, resulting into a vision of development based on self-reliance, while the national government's interest forced open Oriental Mindoro for the exploitation of foreign interests. These interests impose interventions that stifle community development initiatives (Smith, 1990; Nujold, 1995; Davidson, 1995; Mackinnon, 1995; Pimbert and Pretty, 1997; Williams, 1992; Clements et.al, 1993). The gravest mistake a government could do is to ignore what Oriental Mindoro can actually contribute to the development of the country, one that is sustainable and people-centered.

The conflict of interest and contestation of contradicting development ideas in Oriental Mindoro culminated in the formation of a social movement. Notwithstanding the mining company's divisive tactics and the military's rampage, the strength and commitment of the movement delayed any full-blown mining operation, which legitimated the claim for a development that does not sacrifice the environment, culture, livelihood, and ultimately, survival. However, recent developments reversing these victories confront the readiness of the social movement to re-orient itself for the demands of national democratic struggle to be able to achieve structural changes that privilege the development of the people of Oriental Mindoro.

The case of ALAMIN contributes to the conceptualization of social movements because it resolves the contradictory arguments of authors who believe that social movements are movement activities on the one hand (Della Porta and Diani, 1999; Forewaker and Landman, 2000; Chong, 1991) and collective identities on the other (Zirakdazeh, 1997; Tarrow, 1994; Pakulski, 1998; Blumer, 1995). The alliance qualifies as 'movement activities' because of the use of various unconventional forms of protest in mobilizing through conflictual issues. Equally, the alliance did not restrict itself in the sole conduct of protest actions but transformed the loose

network of individuals and organizations into a 'collective identity' formed out of shared experiences, revealing what Salih (2003) calls dissatisfaction with institutional politics resulting into marginalization, displacement, militarization, and suffering from development interventions that epitomized what the people of Mindoro believe 'development is not'³².

Further, the collective identity formed through ALAMIN profoundly influenced the painstaking organization of the members. From the moment of inception in 1999 up to the present when the government's policy of liberalization, reinstatement of the MPSA, and prodding of World Bank fortify the mining company, the members never wavered. In fact, the social movement challenges this new situation with better organization and clearer campaign plans involving all the sectors of society in Oriental Mindoro.³³

In addition, this study maintains the position forwarded in the conceptual framework that the dichotomy between old and new social movements dilutes critical analysis of the evolution of social movements. ALAMIN confirms Frank and Fuentes (1987) and Barraclough's (1989) argument that new social movements are mere continuation of the broad movements of resistance against capital that sharpened during the colonial era. To argue that new forms of subordination triggered the emergence of ALAMIN as a social movement ignores the historical tradition of resistance of the people of Oriental Mindoro against anti-development interventions of the colonial and post-colonial regimes, and recently, neocolonial instruments such as MNCs.

However, the study validates a number of authors whose definition of new social movements imply that ALAMIN as a social movement is not confined to the anti-imperialist revolution of the old *Katipunan* and the class struggle of the Communist left but one that yearns for participation and reclamation of autonomous spaces (Laclau, 1985; Offe, 1985; Forewaker and Landman, 2000; Slater, 1985; Sethi, 1993; Johnston and Klandermans, 1995). Therefore, the study infers that ALAMIN's strength as a social movement roots from its transformative struggle to end an old-age subordination to colonial influence and post-colonial regimes' indifference while enlarging the arena of contestation to several formations of distinct interests and identities.

³² Interview with Fr. Edwin Gariguez

³³ Interview with Fr. Edwin Gariguez

Finally, the success of ALAMIN is attributed to its concrete analysis of the institutional and political crisis of a semi-colonial and semi-feudal country largely dependent on foreign aid and capital, where injustices spawn collectivities desiring for change to overcome the crisis and capture the opportunity when the institutions are disoriented and weak (Smelser, 1962; Tarrow, 1994; Huizer, 1990; Heberle, 1995; Dhanagare and John, 1998). ALAMIN emerges out of the conflicting development vision of the local government, the national government and the neoliberal framework imposed by the neocolonial forces. The social movement assessed correctly the existence of what Tarrow (1994) calls fissures in the political system and formed alliances with political elites in the local level. The result thwarted any doubt that the social movement advances a development vision shared by all stakeholders in Oriental Mindoro.

CHAPTER VI CONCLUSION

The historical pattern of development in Oriental Mindoro suffered from development interventions imposed by colonial and post-colonial regimes. Development eluded the province because of its physical isolation, slow demographic growth affected by successive wars and diseases, economic and political domination by the local elite, domination of trade by colonizers, and historical displacement of the people especially the indigenous Mangyans to accommodate development experiments both of the colonial and postcolonial regimes. The result is transformation of a once prosperous subsistence economy to an export-oriented moribund economy.

The plight of Oriental Mindoro mirrors the development paradigm adopted by the Philippine government where commitment to the neoliberal agenda imposed by foreign interests framed sustainable development frameworks. The vision of sustainable development through responsible mining was brought forward and mining became the development intervention expected to recoup the ailing economy. The wave of protests and formation of social movements opposed to such vision revealed that mining is not one of the possible range of futures wanted by the Filipinos. Mining is a farce epitome of a sustainable development integrating economic growth, ecological sustainability, and social justice.

The formation of a social movement in Oriental Mindoro that fought against the Mindoro Nickel Project of Mindex/Crew mining company and mining in general emerged out of dissatisfaction with institutional politics that historically displaced communities since the colonial period. Building on the collective experience of revolutionary struggles and reformist resistance to anti-people development interventions, the social movement pursued protest actions with a militant and transformative mode while providing autonomous spaces for different identities and interests. Thus, the social movement fashioned the Alliance Opposed to the Mine-ALAMIN to adopt the character of old and new social movements to be able to re-orient itself and respond to the complex hurdles that the painstaking struggle entailed.

The struggle against mining directly challenged the development trajectory of Oriental Mindoro. It sharpened the contradiction between the dominant neoliberal paradigm adopted by the national government and the sustainable development agenda articulated through the social

movement. The non-sustainability of mining and the effective social movement organization induced an intense re-conceptualization of development among the social movement actors. The local government institutionalized the thrust of agricultural development and food sustainability. The Mangyans fought for ownership and control of ancestral domains as foundation of their development. The burgeoning civil society continues to implement self-help mechanisms to promote development.

Therefore, the struggle against mining in Oriental Mindoro did not induce an emergence of a local concept of sustainable development against domestic and international constraints. The people of Oriental Mindoro did not need further conceptualization of development or sustainable development because it is already rooted in their practice. The struggle against mining in Oriental Mindoro re-introduced, sharpened, and legitimated the local conceptualization and practice of development that is sustainable and people-centered.

Finally, the case of Oriental Mindoro is a true discourse of development. It is a discourse participated in by conflicting interests competing for domination in designing a sustainable future. These interests continue to engage in confrontations protecting the sanctity of their cause: capital accumulation on the one hand and humanization on the other. The results of the study imply that relevant conceptualization and practice of sustainable development in the local, national, regional, and international level demand critical consideration and analysis of this contestation and interrogation of the practical commitment of the actors to the type of development that they espouse. This is the only way to bring about the emergence of the real meaning of sustainable development.

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Annex A List of Key Informants

1. Honorable Bartolome Marasigan

Governor, Province of Oriental Mindoro Personal Communication on October 18, 2004 Interviewed via Correspondence

2. Congressman Rudy Valencia

House of Congress Representative, 1st District, Oriental Mindoro Personal Communication on October 18, 2004 Interviewed via Correspondence

3. Congressman Alfonso Umali Jr.

House of Congress Representative, 2nd District, Oriental Mindoro Interviewed by phone on October 21 and 22, 2004

4. Dr. Jun Saturay

Chairperson (1995-2002)

Kalipunan ng Makabayang Mindoreno-KALIPUNAN (Association of Nationalist Mindorenos)
Interview and Personal Communication, August-November 2004
Utrecht, The Netherlands

5. Fr. Edwin Gariguez

Secretary General, ALAMIN Personal Communication via electronic mail During the month of November 2004

Annex B Sample Letter to the Key Informants (Sent Via Email)

October 15, 2004

Honorable Bartolome Marasigan Governor Oriental Mindoro, Philippines

Dear Sir:

I am Jiah Labajo Sayson, a Filipino citizen, and currently enrolled as a masteral student at the Institute of Social Studies, The Hague, The Netherlands. My field of specialization is Development Studies major in Politics of Alternative Development. The Institute is an international school/university that caters mostly to fellows from developing countries and aims at generating knowledge and skills that enrich the development dialogue between developing and developed nations.

I am on the last stage of my graduate studies, which involves writing my masteral thesis. I have decided to engage myself in the discourse of sustainable development at the local level. With careful consideration of various factors, both substantial and practical, I chose Oriental Mindoro as my research environment, specifically the issue of the mining struggle. Unfortunately, I am not able to personally go to the area to do field work because of the budgetary limitations of my fellowship. Therefore, I have settled with the methodology of establishing contacts through emails, letters, telephone calls, and the likes.

I am therefore appealing to your kind gesture to allocate and share with me your precious time so that I can confer with you many of the issues that I would like to be aware of. Your assistance will facilitate the production of a factual and meaningful paper that will serve not only my academic interest but your province as well, in any way possible.

Thank you very much.

Regards,

Jiah Labajo Sayson
MA Development Studies, Politics of Alternative Development
Institute of Social Studies
Kortenaerkade 12
2518 AX Den Haag, The Netherlands

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Email (2): pad0306@iss.nl

Annex C Questions for Key Informant Interview (Sent Via Email)

Instruction:

Please answer the questions comprehensively as you can. This serves as an informal key informant interview done in the form of writing so nuances/flexibility are not only allowed but also appreciated.

Introduction:

The study is about the mining struggle in Oriental Mindoro that started after the passage of the Philippine Mining Law and the entry of the Mindex Resources Development Corporation/Crew Development. The study also gives due importance to the role of the indigenous peoples and various groups and alliances that joined the protest movement against the proposed mine.

Main Question:

What is the impact of the mining struggle in Oriental Mindoro to the Mangyan people's concept of what sustainable development should be?

Guiding Questions:

- 1. What is the current state of development in Oriental Mindoro? Is there a significant difference in the overall development of Oriental Mindoro before and after the entry of Mindex/Crew?
- 2. If the current state of development does not suffice, what do you think should be the alternative type of development? How do you define this alternative development? How does your constituents (esp. the Mangyans) define their 'own type of development'?
- 3. Please describe the nature of your involvement in the mining struggle in Oriental Mindoro.
- 4. In your opinion, what triggered the mining struggle in Oriental Mindoro?
- 5. Do you think that the mining struggle was/is a catalyst in terms of drawing out what people think what they want? Did this struggle make them think what kind of development they want?
- 6. Do you think that the mining struggle allowed emergence of a new model of development? Did the province make significant changes of development patterns in consideration of the lessons learned out of the mining struggle?
- 7. Considering the political and cultural tradition of the people especially the Mangyans, what do you think are those behaviors or actions that were reinforced by the struggle? (Example: If collective life is typical for the Mangyans, was this social trait reinforced and helped them in the struggle against mining?
- 8. Lastly, what is your position on recent developments in the province such as the reinstatement of the MPSA? Do you think this will revive the mining struggle or are the groups disbanded enough to neutralize the situation? How will this affect the development of your province?

Annex D

Full Text of the Interview with the General Secretary of ALAMIN, Father Edwin Gariguez (Questions and Answers were sent via Email)

1. What is the current state of development in Oriental Mindoro? Is there a significant difference in the overall development of Oriental Mindoro before and after the entry of Mindex/Crew?

Oriental Mindoro is known for being the Food Basket of Southern tagalong Region and Metro Manila. Among the 78 provinces in the country, the Department of Agriculture ranked this province as the 4th largest food-producing province, producing P12 billion-worth of agricultural products annually.

The entry of mining activity within the watershed area of the province will threaten the agricultural productivity of the province since 77% of provincial rice production comes from municipalities and city that depend on the watershed areas now covered by the mining application (1977 Provincial Agriculture Office data).

As asserted in the position paper of Dr. Angelito Bacudo, President of Mindoro State College of Agriculture and Technology, "destruction of the watershed will undoubtedly cause floods to more or less 68 Barangays in the municipalities of Calapan, Naujan, Baco, Victoria and Socorro... If now there is still minimal destruction floods are really threatening, much destruction can be expected when there is destruction of the watershed due to mining." In 1999, the above-mentioned flood-prone areas were devastated by flood, destroying P500 million worth of crops (Philippine Daily Inquirer, May 28, 1999). In 1995, the same areas were inundated by a big flashflood that also destroyed hundreds of million-worth of crops, houses and infrastructures, and killing at least 35 persons, many of them children.

In addition, the Mindoro Strait, where the mine tailings will be disposed through the process called Submarine Tailings Disposal (STD), is one of the country's most productive fishing grounds according to the Ecosystem Research Division of the Ecosystem Research and Development Bureau (ERDB). The mining activity will certainly make a destructive impact on the coastal communities that depend on fishing industry for their livelihood.

2. If the current state of development does not suffice, what do you think should be the alternative type of development? How do you define this alternative development? How does your constituents (esp. the Mangyans) define their 'own type of development'?

Since the economic thrusts of the province, articulated in the Provincial Physical Framework Plan (1993-2002) are anchored on food sustainability and the development of agriculture, the entry of big mining operations is detrimental to the sustainable development agenda of the province. Mining and sustainable development cannot go hand in hand because of the destructive nature of the former.

By allowing mining operation, we run the risk of endangering the sustainable economic future of the province. And since mining operation will last for 25 years and renewable by another 25 years, the irreparable destruction the project could cause to our resource base could render our agricultural development program non-viable.

The mining project will cause drastic impacts on the life of the Mangyans, particularly on the affected communities threatened by being displaced. Since the concept of development for the Mangyans has little to do with capital accumulation but revolves around the management and utilization of land primarily for subsistence, the entry of mining operation will change the very foundation of their distinct existence as indigenous peoples. The destruction of land from where they get their sustenance both physically and spiritually could forever alter their way of life and their traditional values that are deeply rooted on the strong belief on the interdependence on all life.

The sad experiences of the indigenous peoples attest to the fact that, more often than not, mainstream "development" model had caused irreparable destruction and degradation of their environment. The threat of the large scale mining has further aggravated this alarming trend of the so-called "development aggression."

The MNP is a large-scale mining concession owned by a Canadian mining company and a local subsidiary which was recently granted a Mineral Production Sharing Agreement (MPSA) in an area within the ancestral domain claim of the Mangyan-Alangans. In this situation, the development debate clearly exemplifies the given problematic in a globalized economy – a case of distorted development model, with the mainstream society advocating for the concept of development as maximization of profit and overexploitation of resources, while disregarding the indigenous peoples' genuine development agenda.

What is more important for the Mangyans as indispensable component of development is their security of tenure to the land they consider as their ancestral land. For them, land is life, and no amount of development concept can be more important than that!

The Indigenous People's Rights Act (IPRA) of 1997 recognizes and protects the rights of the indigenous peoples for their ancestral domain. The rights of the indigenous communities should be upheld and protected over and above the profiteering venture of any mining company. But this is just not the reality on the ground. The Mindoro Nickel Project is illustrative of how the granting of mining rights to transnational corporation is prioritized at the expense of depriving the Mangyans of their rights over their ancestral domain:

In the 9,720 hectares of mining concession, there are several Mangyan communities that will be affected and possibly be dislocated when Mindex/Crew would continue with its operation. The mining area overlaps with the approved and applied Certificates of Ancestral Domain of the Mangyans. For Alangans in Buraboy, Crew has encroached on 7,265.43 hectates of CADC application. The already approved CADC of the Alangans in Occidental Mindoro overlaps with Crew's application for a total of 1,383.91 hectares. A portion of around 681.21 hectares of the approved CADC of Tadyawan overlaps with the mining application of Crew.

Under IPRA, it is provided in the law that "free, prior and informed consent" of the indigenous peoples should be sought before any mining activity can be conducted. However, the mining corporations, confronted with strong opposition from the people, easily manage to defy this process by their preferred strategy of manipulation and coercion. This is done more often in cahoots with the agencies of the government like the National Commission of Indigenous Peoples (NCIP). To project acceptability, transnational mining corporations resort to malicious strategy of deception.

3. Please describe the nature of your involvement in the mining struggle in Oriental Mindoro.

I had been one of the convenors of Alyansa Laban sa Mina or ALAMIN, representing the Church sector. From its founding in 1998 till the middle of 2003, I worked as Secretary General to the organization. Presently, even when I am on study leave and partly involved in seminary formation here in Tagaytay, I still remain as the head of the Advocacy Program of Alamin, performing my task at a distance. I was forced to leave Mindoro for I was tagged by the military as one of what they considered as DTs or dissident terrorists! Almost all of those in the military list had already been harassed or liquidated, and some are in hiding, as in Jun's case.

4. In your opinion, what triggered the mining struggle in Oriental Mindoro?

This part will be answered by my paper entitled "SOCIAL MOVEMENT AND THE STRUGGLE AGAINST GLOBALIZED MINING: A CASE STUDY OF THE MINDORO NICKEL PROJECT." Copy of this document will be sent thru e-mail.

5. Do you think that the mining struggle was/is a catalyst in terms of drawing out what people think what they want? Did this struggle make them think what kind of development they want?

The people of Oriental Mindoro, even before the coming of the mining application, are consciously pursuing their development agenda, which is particularly focused on agriculture. For the local government, such direction was clearly articulated in the Provincial Physical Framework Plan. For the civil society sector, development works were then being pursued in different directions, from providing livelihood opportunities, establishing micro-finance among the poor to advocacy for genuine agrarian reform. Though not systematically or theoretically articulated, the development concept is deeply enshrined in the orientation and actual praxis of the social agents.

Mining has not been a big factor in defining what we think about our development. What the prospect of mining operation did was to present to us a scenario of what development IS NOT! Mining provoked so much opposition from different sector of society because it totally contradicts the aspiration of the people for a sustainable future. It leads us to spell loudly what kind of development WE DO NOT WANT. It consolidates the social movement to oppose the kind of development which is destructive and ecologically damaging.

6. Do you think that the mining struggle allowed emergence of a new model of development? Did the province make significant changes of development patterns in consideration of the lessons learned out of the mining struggle?

The threat of large-scale mining had been instrumental in bringing into the consciousness of people the need to protect their resource-base and the already fragile eco-systems not only for the present but for the sake of the future generations. Development consideration has become more forward-looking emphasizing both the inter and intra-generational equity principle of sustainable development. These are not totally new models of development. But they take on greater weight and become a matter of urgency vis-à-vis the threat of the proposed mining operation.

Another important consideration that the prospect of mining operation has awakened was the need for the development process to be more responsive to the most vulnerable sectors of society, the Mangyan indigenous communities. The divisive tactics of the mining company was effective due to their strategy of luring pro-mining IP communities to give their support to mining company in exchange for immediate satisfaction of their basic needs and demands. Many believe that had there been substantial development programs in the area, the mining company would have a difficult time trying to locate their point of entry.

7. Considering the political and cultural tradition of the people especially the Mangyans, what do you think are those behaviors or actions that were reinforced by the struggle? (Example: If collective life is typical for the Mangyans, was this social trait reinforced and helped them in the struggle against mining?

For this question, please ask Emily (of the MHC) to ask a Mangyan leader to answer this question in Pilipino. Since I do not have enough materials to tackle this, my speculation would not do justice to their own evaluation of the issue.

8. Lastly, what is your position on recent developments in the province such as the reinstatement of the MPSA? Do you think this will revive the mining struggle or are the groups disbanded enough to neutralize the situation? How will this affect the development of your province?

This question is clearly answered by our Position Paper (refer to document to be sent thru email: POSITION PAPER ON THE REVOCATION OF THE NOTICE OF CANCELLATION OF AGLUBANG MPSA BY THE OFFICE OF THE PRESIDENT). Clearly, recent development has revived the social movement and their active struggle to again stop the renewed initiative of the transnational mining corporation to push for the mining operation with the support from the national government under the Arroyo administration.

Updates on the recent status of mobilization could be supplied by other informants, namely Atty. Turano and Kathy Sanchez. They can be contacted thru the e-mail addresses that I gave you. From the reports that I am getting and based on my one-week stay in the province recently, the social movement against mining seems to be better organized, with clearer campaign plans made possible through the efforts of dedicated leaders and strong support from all sectors, not only the affected communities but the Mindorenos as a whole – the basic sectors, the Churches (Roman Catholic, Protestant and even the Iglesia ni Cristo and Born Again Christian sects), the local government, the NGOs and POs, the middle-class, environmental groups, etc ...

However, since the mining company is investing heavily to be able to win potential endorsers of the mining project, to a certain extent, Crew is also succeeding in recruiting supporters from the ranks of unprincipled personalities, including some politicians and many members of the local media.

Annex E Map of Mindoro with Nearby Provinces

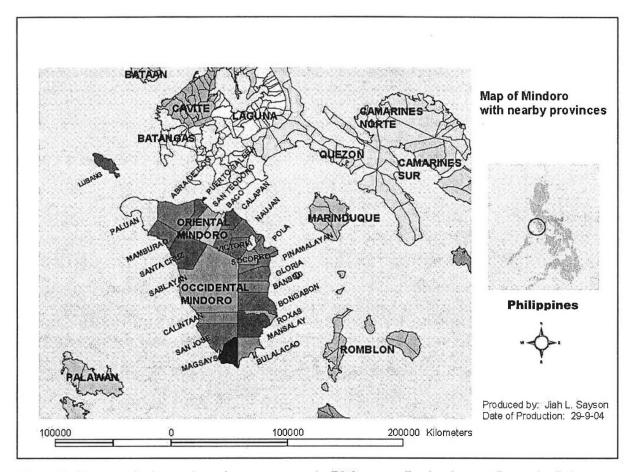


Figure 2. Map of Mindoro and nearby provinces in the Philippines. Produced using Geographic Information Systems (GIS). Data sets sourced from the Geographic Information System Center at the University of San Carlos, Cebu City, Philippines. Produced by Jiah L. Sayson on September 20, 2004.

Annex F Mines and Geosciences Bureau: A Response to the Issues Raised Against Mining

(Note: Paging may not be the same with the original printed document used for referencing)

"Sustainability is not finding the ideal state that will last forever. It is about managing through the inevitable change so as to satisfy present day environmental, economic and social priorities while not foreclosing the options of future generations to do the same" - Dr. Patrick Moore, Ex-Greenpeace, 1997

Over the last few years, the Philippine mining industry has been buffeted by strong negative public criticisms. This sudden prominence put the industry in the defensive amidst rising environmental awareness and community assertions to the use of the land around them.

Unwanted fears, real or perceived, created an image of the industry that is purely an environmental despoiler, forgetting the fact that mining has been a significant economic contributor in the past, the present and will be, in the future.

Notwithstanding the industry's decline, the Philippine mining industry will remain vital and integral to the country's overall economic agenda. Admittedly, however, modern mining is now faced with the challenges of sustaining its economic contribution, building partnerships with local governments and the communities and the need to assume full responsibility for the social and environmental impacts it generates.

EITHER WE GROW IT OR WE MINE IT...

Civilization has come to know only two basic industries during its thousand of years of existence – agriculture and mining. A clear testament to the importance of mining and minerals in our daily lives.

For most people, a day will pass without the thought of the role of mining in their lives. Many simply buy, use and dispose things without trying to know their origin. When asked.... tools came from the hardware.... electricity from the wall socket...cars from dealers...

Yet, if we will only take some time and think how those things were created....we will realize that all begin with mining.

Life as we know it, can never be possible without minerals. Everything from the farm implements and tools, the fertilizers used in agriculture.... the trucks, cars, ships, bicycles, planes used in transportation... the fax, modems, telephones, satellites, radios used in communication...the house we live in practically came out of the ground - from the roofs, foundation, walls, paints to household appliances and fixtures - all came from minerals.

Environmental protection itself can never be possible without... the clays used to encase hazardous wastes.... the limestone to stabilize the soil.... the platinum in catalytic converters to control fuel emissions... and the silver that kills bacteria in water purification systems.

MIning simply responds to the demands of society and produces the minerals needed to satisfy societal needs.

SUSTAINABILITY IN THE CONTEXT OF MINING

That mining is sustainable is a predicament to many. Mining, indeed, has overtones of non-sustainability and non-renewability. However, assuming that minerals are "finite" and permanently lost once extracted is a simplistic and pigeonhole interpretation of a very complex concept.

Defining the concept of sustainable development (SD) in the context of an industry is not easy. Which industry contributes to SD and how can extractive industries like mining contribute to SD?

Do we know what is good for future generations? Can we make development choices for our children? Should we extract one commodity rather than another? Should we reduce current consumption of minerals to preserve them for future generations? Is the wealth created by the extraction of a given natural resource better or worse than leaving the resource untouched?

The challenge of Sustainable Development is how to safeguard our air, fresh water, oceans, soil and the environment for future generations, while currently developing our natural resources for productive purposes to improve our welfare. Sustainable Development is feasible if the benefits from the utilization of mineral resources are continuously reinvested into other sustainable undertakings and in community support services such as health, education, culture, etc. Sustainable Development implies that spin-offs from mining are both sustainable and generated from the outset of the mining operations in order to create an inter-generational transfer. This approach can also contribute to shield the community from the vagaries of mining development resulting from mineral price swings. In other words, Sustainable Development implies that mining be fully integrated in the local and regional economy from the outset.

While ludicrous to many, the minerals industry can contribute to Sustainable Development for as long as mineral resources development is undertaken with the primary objective of maximizing environmental, economic and social benefits.

MINING AND SUSTAINABLE DEVELOPMENT

The current Philippine policy framework for mining is anchored on Republic Act No. 7942 or the Philippine Mining Act of 1995 and Presidential Decree No. 1586 or the Philippine Environmental Impact Statement (EIS) System.

PD No. 1586 or the Philippine Environmental Impact Statement (EIS) System
Ensures that environmental concerns are adequately addressed in all stages of project implementation.
The EIS identifies potential environmental impacts from development activities like mining and provides for mitigative or ameliorative mechanisms to minimize or eliminate such impacts. It also sets out the process in obtaining social acceptability.

RA No. 7942 or the Philippine Mining Act of 1995

The Act is considered as the primary tool to revitalize the mining industry but with equal emphasis on both social and environmental responsibilities. The revised rules and regulations implementing the Mining Act adopted the World Commission on Environment and Development's (Brundtland Commission) definition of *Sustainable Development* as its governing principle and states that:

"Mining shall adhere to the principle of sustainable development which meets the needs of the present without compromising the ability of future generations to meet their own needs, with the view of improving the total quality of life both now and in the future."

In our terms, mining shall alleviate rather than depress the economic conditions in the countryside; increase rather than decrease our mineral base through continuing mineral exploration; enhance rather than degrade the environment by managing the impacts of mining activities and the rehabilitation of mining affected lands to a productive state after mining and lengthen, through recycling and substitution, the usable life of mineral resources.

SUSTAINING OUR MINERAL WEALTH

The continuity of mining as an industry depends on the interaction of three factors: **geology**, **technology and economics**. Geology allows us to discover new mineral deposits. Technology creates new uses; lowers operating costs and increases process efficiencies at the same time addressing potential environmental impacts. The dynamic nature of supply and demand defines the economics of extracting the minerals from the ground, hence, the profitability of the mine itself.

Minerals cannot be considered as wealth unless known. Geological knowledge allows the discovery of mineral deposits and therefore, increases or "replaces" minerals that have been transformed to productive use. Contrary to popular thinking, as metal consumption increases, global reserves increase, not only

because of discoveries, but also because of developments in mining technology that have lowered production costs. Such developments have made it possible to recover metals from mineral deposits whose low grade previously prevented them from being profitably mined^a. This is clearly illustrated in Table 1 where the combined totals of global cumulative production from 1970 to 1996 and the 1997 global reserves estimates for selected metals are *more than double* the estimates made in 1970 by the Club of Rome.

TABLE 1 - Reserves: 1970 and 1997 (Plus Cumulative Production from 1970 to 1996) b

Mineral	1970 Global Reserves (Club of Rome) ¹ (in tonnes)	1970 – 1996 Cumulative Prod'n (WBMS/ABMS) (in tonnes)	1997 Global Reserves ⁴ (in tonnes)
Copper ²	279 x 106	226 x 106	310 x 106
Zinc²	112 x 10 ⁶	178 x 10 ⁶	140 x 106
Tin ²	4.4 x 10 ⁶	5.8 x 10 ⁶	7 x 10 ⁶
Silver³	171 x 10 ³	326 x 10 ³	280 x 10 ³
Gold ³	11 x 10 ³	43 x 10 ³	46 x 10 ³

Sources: ¹1970 global reserves figures taken from the 1972 publication The Limits to Growth: a Report for the Club of Rome's Project on the Predicament of Mankind (DH Meadows, et. al.), which in turn bases its figures on Mineral Facts and Problems 1970 (US Bureau of Mines). Values have been converted to metric tonnes from the original short tons (copper and zinc), troy ounces (gold and silver) and long tons (tin). ² Cumulative mine production data for tin, zinc and copper for the years 1970 to 1996 (World Bureau of Metal Statistics). ³ Cumulative mine production data for gold and silver are Non-ferrous Metal Data Yearbook for the years covering 1970 to 1996 (American Bureau of Metal Statistics). ⁴ 1997 Global reserve figures are taken from Mineral Commodity Summaries 1997 (United States Geological Survey).

Technology has resulted in the development of many environmentally sensitive methods and practices that has limited the industry's environmental footprints. Indeed, there may be limits to technological advances, but we have yet to reach them.

In addition to mines, the world has a large inventory of known deposits not economically mineable today. Future technological developments may turn these deposits into mines.

Price is another factor. If demand for a metal is to increase to levels that outstrip existing supply, the market would drive the price up, thus, making it possible to convert many uneconomic deposits into viable mines. It would appear, however, that supply relative to demand has been more than adequate, given that the constant-dollar price of many metals has been declining for the past several decades.

New orebodies continue to be discovered, made possible by scientific and technological developments that allowed the discovery of hidden and deeply buried deposits. These improvements should provide a continuing supply of discoveries, even in many well-explored regions.

The interplay of these three factors accelerated the discovery of new mineral deposits and permitted the re-classification of previously uneconomic deposits. Hence, contrary to conventional thinking on the "finite" nature of minerals, minerals are constantly being renewed faster than they are being utilized.

MINING IN THE CONTEXT OF GLOBALIZATION

The minerals industry has been the primary tool in improving the quality of life of the people through the creation and amplification of wealth. Metals and other products of mining are indispensable components of the global economy.

The quest for development triggers a country to pursue a development blue print by accessing all available resources. The resource base is crucial in sustaining the availability of such resources and has, in effect, dictated a country's development option.

The Philippines' main resource base is its natural resources including mineral resources. The utilization of these resources, through a strong minerals industry, therefore, carries the great potential to advance the country's economic growth. There is always a choice of producing or importing the minerals, depending on the evolving comparative advantage among economies. This option, however, requires a certain degree of economic maturity that most developing country has yet to achieve. Thus, mining remains as one of the country's major development option to free itself from the economic deprivation and attain a better quality of life for its people.

Given this situation, the country as part of the global economy, must compete for investment capital in order to sustain many of our industries including mining. Geological prospectivity, stable economic and political conditions are some of the major considerations. However, in order to attract investors into the mining sector, a country must create the enabling environment that will allow it to compete with other countries.

This is the very essence why the Philippine Mining Act was enacted by Congress - to provide the positive and competitive climate for mining investments with equal consideration for both social and environmental responsibilities.

The Act allowed the government to enter into three major modes of mining rights: Exploration Permit (EP), Mineral Production Sharing Agreement (MPSA) and Financial or Technical Assistance Agreements (FTAA).

TYPE OF MINING RIGHT	MAXIMUM AREA (has.)	TERM	QUALIFIED PERSON	BENEFIT SHARING
Exploration Permit	32,000 onshore 81,000 offshore	2 years; renewable to a maximum of 8 years	Individuals or Filipino or foreign corporations	none (research data collection)
Mineral Production Sharing Agreement	16,200 onshore 40,500 offshore	25 years; renewable for a like period	Individuals or Filipino corporations	40% company; 60% Govt.
Financial or Technical Assistance Agreement	81,000 onshore 324,000 offshore	25 years; renewable for a like period	Filipino or foreign corporations	40% company; 60% Govt. (to start after recovery of initial pre- operating expenses)

Major Modes of Mining Right under the Philippine Mining Act of 1995

MINERALS FOR OUR FUTURE

Undeniably, mining, just like any human activity or industry such as manufacturing and housing development requires the use of land. Mining as a potential land use, however, depends on the accurate assessment of the land's mineral potential. As much land as possible must be opened for mineral exploration in order to satisfy this need.

Minerals are considered as the rarest and most elusive among our natural resources. Traditional land use procedures cannot be applied in identifying mineral-bearing lands. The common thinking that rapid geological survey will suffice is flawed. Identification of mineral-bearing lands requires both qualitative and quantitative studies and is dependent on existing technology and economics.

But even the best science available cannot increase the odds of finding mineral deposits!

Nonetheless, the Mining Act recognized the need to establish certain areas as closed from development. These are areas that make substantial contribution in maintaining our biological diversity and ecological balance and/or utilized for specific purposes. Areas closed to mining include old growth forests, watershed forest reserves, wilderness areas, mangrove and mossy forests, national parks, game refuges, bird sanctuaries, marine reserves/parks and protected areas established under the National Integrated Protected Areas System. Mining is also not allowed in areas that are expressly prohibited by law and/or excluded by the DENR Secretary.

On the other hand, there are certain areas that may be opened to mining, subject to the acquisition of clearance from the concerned government agencies. Among which are military and other government reservations; areas covered by small scale mining under RA 7942/PD 1899; DENR Project Areas and areas near public or private buildings, archaeological and historical sites, bridges, highways, waterways, railroads, reservoirs, dams and other infrastructure projects.

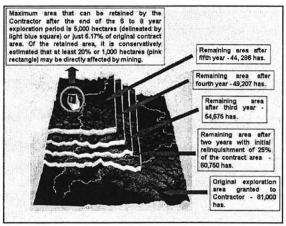
AREA REDUCTION DURING EXPLORATION

Contrary to common belief that the grant of large tracts of land to mining contractors will result in massive land degradation, it should be emphasized that the grant of as much as 81,000 hectares for mineral exploration is **subject to relinquishment**.

Mineral exploration, to emphasize, is neither a land use nor a development activity but rather the scientific, non-destructive assessment of the mineral potential of the land that can possibly lead to a decision to mine. Mineral exploration is a high cost, high-risk endeavor without any guarantee of success. Mandated during the exploration period is area relinquishment, which is the progressive reduction of the contract area wherein the mining contractor returns to the Government portions of the contract that, based on its exploration activities, has low or no mineral potential.

Using the 81,000 hectares granted to an FTAA Contractor as an example, the contractor shall relinquish at least 25% of the original contract area after the second year of exploration and 10% each on the third, fourth and fifth years. Upon the end of the exploration period, the contractor shall retain only a maximum of 5,000 hectares or less per project area (or just 6.17% of the original contract area).

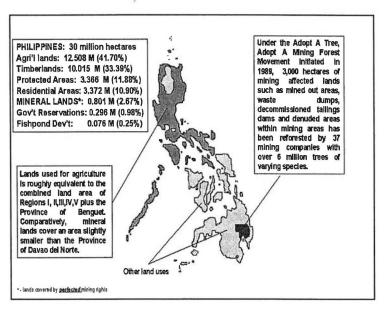
Exploration, however, does not always lead to mining. The odds of finding a mineral deposits is conservatively placed at 1:500, that is, for every 500 exploration projects, only one may be developed into a mine. Moreover, the decision to mine may come only after another 5 to 10 years, once all regulatory requirements and an exhaustive study of the mineral deposit had been undertaken.



Area Relinquishment during the Exploration Period

MINING AND LAND USE

A look at current Philippine land uses will show that agricultural lands occupy an approximate area of 12.5 million hectares or 42% of the total Philippine land area of 30 million hectares. This area is roughly equivalent to the combined land area of Region I, II, III, IV and V plus the Province of Benguet. Comparatively, mineral lands or lands covered by <u>perfected</u> mining rights granted since 1902 encompassed an area of about 800,000 hectares, an area slightly smaller than the Province of Davao del Norte.



Land Classification in the Philippines

FACTORS CONTROLLING THE GRANT OF MINING RIGHTS

Current mining rights applications cover approximately 12.2 million hectares or 40.65% of the country's total land area. The general perception is that areas applied by mining companies will be automatically subjected to widespread environmental damage with resulting displacement of communities and social alteration.

It must be clarified, however, that <u>mining applications</u> do not necessarily mature to <u>mining rights</u>. The grant of mining rights is controlled by the following factors:

(1) Qualified Person - The Mining Act and its IRR specifically state that a mining permit or contract can only be granted to a Qualified Person, meaning, one must possess, among others, proofs of financial and technical capability as well as a satisfactory environmental management and community relation track record.

Legally organized foreign-owned corporations may apply for mining permits or contracts for as long as they meet the criteria for a Qualified Person, for purposes of acquiring an Exploration Permit, FTAA or Mineral Processing Permit and for a Mineral Agreement, provided that they do not exceed the 40% cap on ownership.

Failure to comply with this expressed intent of the Act shall be a cause of denial of the mining application.

In addition, in case a Qualified Person is granted the mining permit or contract, the original contract area shall be progressively reduced through the mandated relinquishment process. The maximum area to be retained after the exploration period shall be 5,000 hectares per mining area for metallic minerals and 2,000 hectares for non-metallic minerals, except for certain non-metallic minerals such as shale and limestone, marble, granite and construction aggregates, which final mining area shall be 1,000 hectares or less depending on certain qualifications;

- (2) Land Use Priorities Areas classified as closed to mining are automatically excluded from mining applications while applied areas in conflict with other land uses and not covered by the required area clearance are automatically excluded. Thus, the applied area is either reduced or in some cases, denied; and
- (3) Economic Feasibility It is not automatic that a mining contractor shall proceed immediately to development and commercial operation after it has completed exploration. Should the Mining Contractor be fortunate enough to delineate a mineral deposit during the exploration period, the Contractor must prepare and submit for approval a Mining Project Feasibility Study.

The Mining Project Feasibility Study shall consider market, financial and technical factors relevant to the project as well as all the minimum expenditures for social and environmental commitments provided under the revised IRR.

Impositions for environmental protection (at least 10% of the initial capital expenditures for environment-related expenditures; at least 3% to 5% of annual direct mining and milling costs for environmental management during the life-of-the-mine and financial warranties to cover final mine rehabilitation) and social commitments (at least 1% of the annual operating costs for the development of the community and mining technology and geosciences and at least 1% of the gross annual revenues as royalty to Indigenous Peoples, if any + just compensation for surface occupants/landowners) are guarantees that the mining contractor will meet its environmental protection and enhancement and social objectives over the life-of-the-mine.

In essence, mining projects that cannot absorb the environmental and social costs of modern mining shall not be allowed to proceed.

Based on our assumptions, we projected the future extent of mineral lands to reach 1.4 million hectares or just 4.62% of the country's total land area.

	NUMBER	PROJECTED NUMBER	PROJECTED AREA (HECTARES)	% OF PHILIPPINE AREA
A. MINERAL LANDS				Name of the second seco
Patented Mining Claims	206	206	1,571	0.01
Lease Contracts	2,146	2,146	138,594	0.46
Mineral Reservations	7	7	416,900	1.39
EP	11	6	30,000	0.10
MPSA	77	39	129,000	0.43
FTAA	2	2	10,000	0.03
B. MINING APPLICATIONS		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	2 1 2 1 2 1 2 1 2 1 2 1 2 2 2 2 2 2 2 2	
EP	267	26	115,000	0.38

MPSA	1,448	145	485,000	1.62
FTAA	116	12	60,000	0.20
TOTALS	4,280	2,589	1,384,066	4.62

Existing Mining Claims/Rights and Mining Applications

Again, it should be emphasized that only a small portion of the projected mineral lands may eventually be affected by actual mining. The size of a mining operation is largely influenced by the scale of operation, terrain/physical limitations and basic physical and social infrastructures available.

MINING AND INDIGENOUS PEOPLES

Protection of Indigenous Peoples (IP) is guaranteed by the revised implementing rules and regulations' conformity with the three requirements provided in ILO Convention 169 on Indigenous and Tribal Peoples: (1) establishment or maintenance of a procedure in consultation; (2) share from the benefits of development activities and (3) fair compensation for any damages they may sustain as a result of development activities.

The *prior informed consent* required from areas recognized or claimed as ancestral land is our way of recognizing the Indigenous People's rights to their land. Should the IPs grant the consent and the area later warrant development, the IP shall receive their share from economic opportunities arising from mining operations through royalties in the amount equivalent to at least 1% of the annual gross revenues. The inclusion of the IPs, together with LGU and NGO representatives in the Multi-partite Monitoring Team (MMT), ensures transparency in the monitoring of mining operations and that the appropriate remedial measures and/or proper indemnification are made.

Once the IP's exercise their right, however, **not** to issue the prior informed consent, the mining company has no option but to exclude the area covered by the ancestral land from the mining application and to stop any mining activity in the area, if any.

MINING ENVIRONMENTAL MANAGEMENT

True to the truism that "mining cost is just a minor cost" in modern mining, the revised IRR made environmental responsibilities of a mining company as a major cost center. While much of the attention is focused on environmental incidents involving mines, tailings dams has been transformed to grazing lands, to vegetable farms or to a mini-golf course. A portion of an underground mine was also converted to an eco-tourism site. It has been done in the past and we have no reason to doubt that with technology, innovation and ingenuity, the concept of "resource multiplication", that is, the transformation of mining disturbed areas to productive uses, will become an industry standard.

The revised IRR ensures that environmental conditions are sustained over the life of the mine.

Environmental Work Program (EnWP) for Exploration addresses any potential disturbance during the exploration stage. The Environmental Compliance Certificate (ECC) granted prior to the development and construction of the mine provides the basis for the Environmental Protection and Enhancement Program (EPEP), the document that details the methods and procedures the company will use in attaining its environmental protection and management objectives over the life-of-the-mine. An Annual EPEP, on the other hand, is prepared based on the EPEP to implement progressive rehabilitation measures.

The Contingent Liability and Rehabilitation Fund (CLRF) is established in each operating mine to guarantee the company's compliance with its environmental commitments. The CLRF is divided into the Monitoring Trust Fund (MTF), which is utilized by the Multi-partite Monitoring Team (MMT) in its monitoring activities and the Rehabilitation Cash Fund (RCF), which is used to fund progressive rehabilitation activities. Meanwhile, damages to life and properties caused by mine wastes or tailings are compensated through the Mine Wastes and Tailings Fund Reserve Fund (MWTRF).

The Final Mine Rehabilitation/Decommissioning Plan (FMR/DP), which shall be submitted five (5) years before expected mine closure, ensures that all disturbed areas will be restored, as near as possible to its original state or to a pre-agreed productive end-use. The Plan, which must be done in consultation with local governments and the communities, shall include financial assurances to cover the costs of rehabilitation and maintenance and monitoring over a period of ten years as well as a social plan to minimize the mine closure's economic impact to the host and neighboring communities and to the mine employees and their dependents.

SOCIAL DEVELOPMENT AND MANAGEMENT PROGRAM

The mining company is mandated to spend at least 1% of the annual direct mining and milling costs for community development and the development of mining technology and geosciences. This 1% is proposed to be divided at 90% for community development and 10% for development of mining technology and geosciences.

The 90% for community development shall be managed through a Social Development and Management Program (SDMP). The SDMP is considered as the vehicle to maximize opportunity for social and economic development and facilitate the equitable distribution of benefits. Ideally, the SDMP should be utilized to provide alternative livelihood opportunities for employees, their dependents, and the neighboring communities during the life-of-the-mine. A properly managed SDMP will reduce the cost of the social plan during the final mine closure.

SHARING FROM THE NATIONAL WEALTH

The revised IRR ensures the equitable sharing of benefits among the four major stakeholders - the National and Local Governments, the Mining Contractor and the Host Communities.

Using the FTAA mode of mining tenement, a fiscal regime anchored on the principle that the Government expects real contributions to the economic growth and general welfare of the country while the Contractor expects a reasonable return on its investments, was formulated. In essence, the basic structure for the FTAA fiscal regime is best expressed by the equation:

FTAA Fiscal Contribution = Basic Share + Additional Share

The Basic Government Share corresponds to all direct taxes and fees paid by the Contractor during the term of the agreement. Direct taxes and fees are grouped in three major categories, namely:

- · Payments to National Government
- · 35% Corporate Income Tax
- 2% Excise Tax on actual value of minerals produced
- · Custom duties and fees under the Customs and Tariff Code
- 10% Value Added Tax on imported equipment, goods and services
- 5% of the actual market value of the minerals produced as Royalty, in case of mineral reservations.
- Documentary Stamp tax depending on the nature of transaction
- · Capital Gains Tax equivalent to 10 20% of the gain
- · 15% Tax on interest payments to foreign loans
- 15% Tax on foreign stockholders dividends
- · Payments to Local Governments
- · Local Business Tax at a maximum of 2% of the gross sales
- Real Property tax equivalent to 2% of fair market value of property based on an assessment level (plus 1% special education levy)
- Registration Fees
- Occupation Fees equivalent to 50 pesos per hectare per year
- Community Tax 10,500 pesos maximum per year
- Other Local taxes, the rate and type depend on the local government concerned.
- · Payments to Other Filipinos
- Special allowance as defined by the Mining Act and its IRR; and
- · Royalties to indigenous cultural communities, if any.

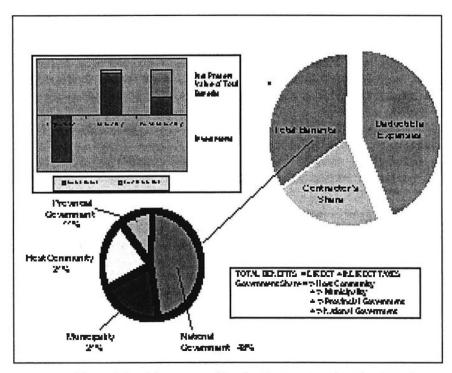
On the other hand, during periods of extra-ordinary profitability, e.g., high metal prices, the Government is entitled to a portion of such profits determined in consultation with the Contractor. This share from the profits is the *Additional Government Share*. The sharing is determined taking in consideration the capital investment in the project, contribution to the economy, the community, the local government, and the technical complexity of the project.

The sum of the Basic Share and the Additional Government Share is equal or greater than 50% of the Net Present Value of the Project Cash Flow. If indirect taxes and contributions, e.g., fuel tax, payroll benefits of employees, withholding taxes, social infrastructures, royalties and expenditures for development of geosciences and mining technology are included, the Government and the Filipino people will receive an effective share of 60% or better of the net present value of the total benefits from the mining project.

The FTAA, therefore, is not a sell-out of national patrimony.

Demanding more from the company will be more detrimental than beneficial – higher taxes will force mine operators to "high-grade" the mineral deposit leading to the loss of mineral resources; not a palatable option from the conservationist point of view.

Benefit Sharing Based on Financial Model



However, as a recognition of the risks assumed by the Contractor, the Fiscal Regime provides incentives during the most difficult period of the mining operations, that is, the Pre-operating Period (the exploration and the development and construction stages).

During the Recovery Period, the Contractor is allowed to recover such risk capital over a period of five years from commercial operation. This is an incentive provided by the Government to account for the risks assumed by the Mining Contractor. The Contractor is exempted from paying all national government impositions but shall pay all local government taxes.

In the Post Recovery Period, the Government will now receive all benefits expected from the mining project – the Basic Share and Additional Government Share, if warranted. Based on our financial models, the Government share derived from the mining project is apportioned at 48% for the National Government; 11% for the Provincial Government; 21% for the Host Municipality and 21% for the Host Community/ies.

Results of Financial Modelling for Cashflow Based Option for a 25 MTPY mine

Cost Recovery Period (years)	4
Contractor's Internal Rate of Return	16.27%
NPV of Contractor's Cashflow	\$304 M
NPV of Government Cashflow from Basic Share	\$313 M
% Contractor's Share	49%
% Government Share (Basic and Additional)	51%
NPV of National Government Cashflow	\$141 M
NPV of Provincial Government Cashflow	\$31 M
NPV of Municipal Government Cashflow	\$60 M
NPV of Affected Barangays Cashflow	\$62 M
% Share of National Government	48%
% Share of Provincial Government	11%
% Share of Municipal Government	21%
% Share of Affected Barangays	21%

Quantitatively, our financial models showed that for a copper-gold mine operating at 25 million metric tons per year or about 80,000 metric tons per day, the benefits that will accrue to the government will be equivalent to:

Properly managed, these financial benefits will provide the boost for LGUs and the communities to establish other wealth generating livelihood opportunities to improve the quality of life of the people.

Estimated Benefits per Mine in Million \$ (25 MTPY mine)

	ANNUAL	LIFE-OF- MINE
Investment Inflow *		740.00
Foreign Exchange Earnings	390.00	7800.00
Environmental Work Program**	6.01	74 + 120.00
Community Development	0.90	18.00
Development of Geosciences		
and Mining Technology	0.30	6.00
Payroll	14.30	286.00

Direct Employment ***	-	1500.00
Taxes		
Excise	6.25	125.00
Custom Duties	0.15	3.00
Tax on Dividends	2.50	50.00
Local Business Tax	0.75	15.00
Real Property Tax	3.50	70.00
Occupation Fees	0.05	1.00
Royalty to Indigenous Peoples	3.90	78.00
Corporate Income Tax	51.40	1028.00

- * Equivalent to the initial capital cost to construct and develop the mine
- ** The \$74 million figure corresponds to the initial expenditures for environment-related infrastructures equivalent to at least 10% of the capital expenditures.
- *** Does not take into account the "multiplier effect" of mining

REPEALING THE MINING ACT...

Before one calls for the repeal of the Philippine Mining Act of 1995, there is first the need to comprehend the global dynamics that influence the minerals industry. For a start, a thorough review of the Mining Act itself, its revised implementing rules and regulations, the FTAA Fiscal Regime and other policy initiatives on mining and related environmental laws is imperative.

The repeal of the Mining Act will.....

.....force the mining industry to revert back to Executive Order No. 279 and its implementing rules and regulation (DENR AO Nos. 57/82/63) enacted as an interim law during the time of President Aquino.....a law that failed to recognize the global nature of mining.....a law that failed to recognize the emerging environmental and social realities required of a modern mining industry;erase all policy safeguards for (1) the Indigenous Peoples, being the only mining law in the world that recognized the rights of the IPs; (2) the LGUs and the communities, who will be deprived of their equitable share from the benefits of mining and (3) the Environment, wherein projects that cannot absorb the environmental and social costs of mining will not be allowed to proceed; andresult in the flight of foreign investors that possess the capital, the technology and the management

skills to run world-class mining operations. Such a flight will severely damage the country's foreign investment stature.

We do acknowledge the concerns of the people against mining. It is a legitimate expression of their

concern for the wise and efficient use of their resources and the protection of the environment they live in.

Yet, it is also our belief that the common perceptions on mining can be traced to the inability to understand the technical complexities of mining.

OUR BIAS TOWARD THE MINING INDUSTRY

We have been accused of being biased toward the mining industry. We are not. Our bias is toward RESPONSIBLE MINING. It is our MANDATE - as the government agency responsible for the management and administration of the country's mineral resources, to promote and enhance responsible mineral resources development. We will defend the mining industry as long as it toes the line of Responsible Mining. However, we will not hesitate to crack the whip where principles and policies of Responsible Mining are breached.

SHARING THE RESPONSIBILITY

We have always taken pride that the Philippine Mining Act of 1995 is one of the most advanced, if not the most advanced, mining legislation in the Asia-Pacific region. The law holds the distinction of being the only mining law in the world that has built-in provisions for the protection of the rights of the indigenous peoples, pre-dating the Indigenous Peoples Rights Act or IPRA. Its environmental and social provisions are comparable to, if not better than, those from other industrialized nations. It provides for a strengthened Mines and Geosciences Bureau to ensure its full enforcement on the ground.

Management of mining operations and whatever resulting social and environmental impacts, however, is a SHARED RESPONSIBILITY. A responsibility that involves the government, the industry and ALL OTHER STAKEHOLDERS, pro and anti-mining alike.

OUR CALL....

We cannot overemphasize the primacy of minerals to our lives and to civilization as a whole. Neither are we callous to the sentiments against mining. However, it is our belief that the basic framework towards the vision of a socially, economically and environmentally sustainable minerals industry is now in place.

Advances in mining technology has resulted in higher design standard with regard to environmental protection. There has also been progress in managing mining's social impacts and ensuring that the communities involved receive a share in the benefits from mineral development.

However, much work remains to be done.

And proving the minerals industry's role in economic development, social empowerment and environmental stewardship can be achieved with coordination, commitment, cooperation and consensus among stakeholders

Annex G

Position Paper on the Revocation of the Notice of Cancellation of Aglubang MPSA by the Office of the President

WE, the Chief Executives of the local government units in Oriental Mindoro - the Provincial Governor, the Mayors of the stakeholder Municipalities of Victoria, Pinamalayan, Naujan and Socorro,

WE, the ALYANSA LABAN SA MINA (ALAMIN), a coalition of Civil Society Organizations, Churches, Indigenous Peoples Alliance, Civic and Environmentalists Groups, Peoples' and Sectoral Organizations and Non-Government Organizations in Oriental Mindoro,

WE, the Clergy of the Apostolic Vicariate of Calapan, headed by our Apostolic Vicar, Bishop Warlito I. Cajandig,

express our indignation and protest over the decision of the Office of the President to revoke and set aside the Notice of Termination/Cancellation earlier issued against the MPSA (Mineral Production Sharing Agreement) of Aglubang Mining Corporation. The said mining project for nickel-laterite deposit was explored by Crew Minerals Philippines, a wholly-owned subsidiary of Crew Minerals AS based in Canada.

The cancellation of Aglubang's MPSA on July 16, 2001 was explained by then DENR Secretary Alvarez as being based on the the need to protect critical watersheds, to protect the food security of Mindoreños, and to respect the social unacceptability of the project. He explicitly states in a published interview: "The Mindoro Nickel Project is one case where sustainability is bound to fail... President Macapagal is fully aware of the situation. Her administration is committed to create wealth without sacrificing the integrity and vitality of Mindoro's natural systems...what does it gain the nation to be shortsighted and merely think of money, when an irreparable damage to the environment will cost human lives, health, and livelihood capacity of our farmers and fisherfolk, endangering the food security of our people."

What explains the sudden turn-around of government policy?

Crew Gold Corporation, represented by its President and CEO, Jan A. Vestrum, has jubilantly proclaimed the Resolution coming from the Office of the President as signaling the revival of the Mindoro Nickel Project (MNP) and "the change in attitude of the Government of the Philippines towards mining, from that of tolerance to active promotion..."

Ironically, the decision promoting mining, applauded by the foreign transnational corporation has caused indignation and anguish among our people.

The extent of ownership and control of Crew Minerals over the mining area, with Aglubang as its subsidiary, should be subjected to scrutiny. The more recent decision of the Supreme Court declared as unconstitutional arrangements that allow priority to foreign owned corporations in the exploration, development and utilization of mineral resources as being contrary to Article XII of the Philippine Constitution. Though referring to the FTAA, the Supreme Court decision (SC En Banc G.R. No. 127882) clearly points out that "the management or operation of mining activities by foreign contractors, which is the primary feature of service contracts, was precisely the evil that the drafters of the 1987 Constitution sought to eradicate."

The MNP had been rejected overwhelmingly by the people of Mindoro and even by all the local government units. This strong opposition of the people had been one of the decisive factors in the DENR's decision to cancel the MPSA. Now, it is quite surprising that the Office of the President will reverse its decision long after the people's victory had been won.

We maintain that the MPSA issued to Crew Minerals through its affiliate, Aglubang Mining Corporation is null and void ab initio, for the project does not have social acceptability. Long before the cancellation of Aglubang's MPSA, the people of Oriental Mindoro had already spoken. Through the broadest coalition ever assembled in the province's history, ALAMIN (Alyansa Laban sa Mina) was able to staged series of peaceful protest actions attended by a total of 40,000 people to show our strong opposition to the proposed Mindoro Nickel Project. Sixty-five thousand signatures rejecting the MNP had been collected. Dozens of resolutions expressing resistance to the mining project had been submitted to the DENR from different institutions, organizations, churches, sectoral organizations... All the local government units had expressed their unequivocal opposition to the project. The Mangyan Indigenous Peoples organization of SANAMA and KAMTI, whose ancestral domain falls within the mining concession, had also expressed their written opposition.

Our unified stand against the Mindoro Nickel Project and our opposition to the entry of any mining operation in the province are clearly articulated in the Ordinance promulgated by the Provincial Council of Oriental Mindoro declaring a mining moratorium in the province. The Sangguniang Panlalawigan Ordinance, passed on January 28, 2002, explicitly forbids all forms of mining in the province, stating that "it shall be unlawful for any person or business entity to engage in land clearing, prospecting, exploration, drilling, excavation, mining, transport of mineral ores and such other activities in furtherance of and/or preparatory to all forms of mining operations for a period of twenty-five (25) years." Exempted from the moratorium is the excavation of ordinary stones, sand, gravel earth and other materials, which are operated by small-scale miners.

With the irrevocable opposition of the people in Mindoro against mining, we demand respect of the sovereign will of the people and the recognition of our right to chart our own direction of development. Mining corporations should refrain from imposing their profit-driven agenda and in manipulating the national government's bureaucracy, which have become too accommodating in promoting the plunder of our environment in exchange for investments.

The present maneuvering of mining corporations to forcibly make their re-entry by taking advantage of the policy of the present administration for the revival of the mining industry is totally irreconcilable to the genuine welfare and interest of the people. The guise of going though the DENR/MGB processes is a deceptive ploy to legitimize the approval of the mining permit. But we believe, beyond all the legal gobbledygook, the people's interest should be held supreme – salus populi est supreme lex!

We uphold all the arguments profounded by then Secretary Alvarez in his decision to cancel Aglubang's MPSA.

The Office of the President should have made a diligent study of the case before favoring the side of the petitioner. We beg to defer to the Resolution of the Office of the President that the decision was executed arbitrarily without giving course to due process and fair play or without giving the other party the opportunity to explain or refute.

- 1. For the record, there were several hearings and investigations held in the DENR prior to the decision of cancellation in July 16, 2001. These hearings were attended both by the stakeholders in Mindoro and the proponents of the project. We have video recording of those events, but formal transcript must be available in the DENR.
- 2. By their own admission, Aglubang Mining Corporation, in their letter to Secretary Alvarez dated June 8, 2001, explicitly mentioned the consultative meeting that they had with the Secretary on June 6, 2001. And the same 6-page letter signed by Arne Isberg, Chairman and CEO of AMC, tackled their position on the review being undertaken on MPSA 167.
- 3. The Aglubang Mining Corporation, though their lawyer, Atty. Leo G. Domingez had submitted their position, dated May 7, 2001, to President Macapagal-Arroyo. The document is entitled: "Aglubang Mining Corporation's Comment (On the DENR's Secretary's Memorandum to the President Recommending the Revocation of Aglubang's MPSA with the Government)." The entire document has 21 pages, refuting the Memorandum of the DENR Secretary.
- 4. Aglubang's lawyers admit that on June 6, 2001, "the DENR conducted an informal meeting with Aglubang and individuals opposing the MPSA."
- 5. Document from Aglubang also admit that "on 8 June 2001, upon instructions of the DENR Secretary, the MGB formed a task-force to conduct inspection and to investigate and assess the allegations against the MPSA."
- 6. On July 13, 2001, there was another consultative meeting held in Calapan, Oriental Mindoro, wherein the MGB presented their Task-Force Report.

Clearly, there was nothing arbitrary in the decision process taken by then DENR Secretary Alvarez. The above-mentioned events proved that the positions of Aglubang were substantially considered by the DENR Secretary and the Office of the President, before the Aglubang MPSA was finally cancelled. It is preposterous for Aglubang to claim that they were not given opportunity to present their position in the proper forum. From their own account, they claim to have participated fully and existing records and documents are all available to prove this fact.

But the recent Resolution from The Office of the President, assailed then DENR Secretary Alvarez in this term:

"And without apprising Aglubang of the inculpatory allegations in the complaint and the report of the ex-parte investigation conducted thereon, then DENR Secretary Alvarez would issue the cancellation order without first confronting the former with adverse evidence, if any there be, constituting the basis of said order. The action thus taken strikes us as antithetical to the sporting idea of fair play, a concept which requires an adjudicating officer to hear the other side before making an impartial judgment based on the evidence and arguments of both parties. If the DENR believed that Aglubang violated mining laws and/or the conditions of its MPSA then it has discretion to conduct the appropriate hearing to determine guilt. It does not have to rely on the findings of Bishop Cajandig and the claim of other private groups to discharge this function" (Mahoney Textile Mills Corp. vs. Ongpin, 141 SCRA 437).

The decision to set aside or revoke the MPSA cancellation of Aglubang was definitely based on this premise - the petitioner, that Aglubang Mining Corporation, was not afforded the opportunity to be heard. But it is not clear whether the Office of the President intentionally or inadvertently disregarded the fact that there were hearings conducted. Moreover, they cannot deny that they had received the documents and written positions of Aglubang Mining Corporation before the Notice of Cancellation of Aglubang's MPSA was issued!

With regard to the submission that the cancellation of Aglubang's MPSA should have passed through the arbitration proceedings as prescribed in Section 77 of RA 7942, and as stipulated in Section XIV of the MPSA 167, the Resolution of Office of the President failed to consider other specific provisions in the Mining Act (Sections 95-99) and Section XV of the assailed MPSA that prescribe sufficient grounds for suspension or termination of MPSA contract as appealed to by then Secretary Alvarez. The latter provisions do not explicitly require the creation of panel of arbitrators. And there is no reason to insist on the creation of the panel when the law does not prescribe for it, under such circumstance. As the legal saying aptly advises: Casus omisus pro omisso habendus est — a person, object or thing omitted from an enumeration must be held to have been omitted intentionally.

However, what the Agreement clearly prescribed (Aglubang's MPSA, Section XV, 15.1), is that the MPSA "may be suspended for failure of the Contractor: (a) to comply with any provision of the (Mining) Act and/or its implementing rules and regulations...." Secretary Alvarez also explicitly quoted Section 96 of the Mining Act, providing that "violation of the terms of conditions of the permits or agreements shall be a sufficient ground for cancellation of the same." It was for these reasons that the DENR Secretary, in his decision to cancel Aglubang's MPSA, pointed out to several cases of violation of or non-compliance with the Mining Act and the Agreement, providing him enough basis to revoke the said MPSA.

Besides from the six grounds that Alvarez enumerated in his Memorandum to the President, he also noted that on July 14, 2000, Crew executed a Deed of Assignment in favor of Aglubang for a consideration of One Peso (P1.00), even if it had not yet been approved. This act, according to him, is a violation of of RA7942 (Section 30, to be exact) requiring for **prior** approval of the DENR Secretary any assignment or transfer of rights under any mineral agreement.

The issue, as it presently stands, must be resolved. Recourse to further hearing or deliberation could be an exercise in futility. And legally, the rule on estoppel will have to be applied. It is a fact that Aglubang participated in the review process and that their positions had been submitted for consideration before the Notice of Cancellation for Aglubang's MPSA was issued. All of Aglubang's arguments have been substantially expounded before the DENR and the Office of the President. As such, the decision to cancel the MPSA167 was made in good faith and should be affirmed with finality.

Premises considered, it is our position that the Resolution issued by the Office of the President is flawed and should be reconsidered. The Resolution signed by Manuel Domingo, Presidential Assistant, is not based on fact and we pray that this same Resolution be revoked and set aside in order that the Notice of Cancellation/Termination of MPSA No. 167-2000-IV be upheld.

In the Province of Oriental Mindoro, this _____day of March, 2004.

HON. BARTOLOME MARASIGAN

Provincial Governor

HON. WILFREDO HERNANDEZ
Municipal Mayor, Pinamalayan

HON. MA. FE BRONDIAL
Municipal Mayor, Socorro

HON. NORBERTO MENDOZA
Municipal Mayor, Naujan

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In the Province of Oriental Mindoro, this _____day of March, 2004

Evelyn CachaFr. Edwin GariguezChair, ALAMINSec-Gen, ALAMIN

Jorge MadarangShirley FrondaALAMIN-Victoria ChapterALAMIN-Pinamalayan Chapter

Ponyong KadyosRenan MarasiganKapulungan Para sa Lupaing NinunoMangyan Mission

Ned de GuzmanFr. Jim RugaMAHAL, Inc.Diocesan Service Commission

Doris MelgarPol SevillaKAFCODEPeasant-Net

Jon-jon SarmientoNick TumacaMASASALAKMMA

Fr. RV Villavicencio
CEDC
Orlando Maliwanag
Save Mindoro Movement

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In the Province of Oriental Mindoro, this ____day of March, 2004.

BISHOP WARLITO I. CAJANDIG APOSTOLIC VICAR OF CALAPAN Diocesan Pastoral Center, Salong, Calapan City