Extractive activities / dams, and negotiation issues : hypothesis for discussion

Geert van Vliet
1998
At the very start of the activity, employment is generated (building phase), the social and environmental impacts are not visible, the use of updated technologies avoids environmental impacts, the first representatives of the operators are open to negotiation.

Geert van Vliet, 1998
Once the activities have started, there are changes regarding the representatives of the operators, and even entire substitutions of operators.
Towards the end of the activity the social and environmental impacts become more visible, the technical installations turn obsolete and do not answer anymore to the standards of environmental preservation, the representatives of the operators or even new operators tend to be closed for any negotiation, labour directly hired by the operators is replaced by indirect and short term labour, respect for security and environmental measures decreases.
Enterprises: disposition to compensate

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Enterprises: disposition to compensate

Very high before the construction or the beginning of the extractive activities

Very low at the end of the activity (due to increase of operation costs and relative decrease of profit margins)

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Local communities: capacity to negotiate and to exercise demand

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Local communities: capacity to negotiate and to exercise demand

Increases as negotiation capacities are consolidated and social and environmental impacts become visible

Before or at the start of the activities: very low, diffuse, inarticulated, easily manipulated

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Enterprises: disposition to compensate

Local communities: capacity to negotiate and to exercise demand

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Enterprises: disposition to compensate

Local communities: capacity to negotiate and to exercise demand

Unclaimed resources = margins for corruption or profit increases

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T (10, 20 years)

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Enterprises: disposition to compensate

Growing conflicts around social and environmental impacts, and increasing social demands while the disposition to compensate has vanished

Local communities: capacity to negotiate and to exercise demand

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Enterprises: disposition to compensate

Local communities: capacity to negotiate and to exercise demand

privately appropriated financial gains

environmental and social problems left for resolution by the State

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Local communities: capacity to negotiate and to exercise demand

Costly conflicts that could have been avoided

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Alternatives: creation of fiduciary regional or local funds managed by local communities (producers organizations, local governments, NGOs, civil society associations)? Other options?

Geert van Vliet, 1998, translated from spanish 2 May 2005