Resource Hinterlands
Reading

- Holden & Jacobson 2009 in *Canadian Geographer*
  - On Catholic Church’s opposition to mining activity in Guatemala
Conflicts of Interest

• Have recently been in the news
The twitterverse reacts

Rick Mercer
@rickmercer

Someone get that man a Vodka Gravy ASAP.

719 RETWEETS 164 FAVORITES

11:01 AM - 26 Nov 12 - Embed this Tweet

Reply to @rickmercer
Imma let you finish Toronto, but Montreal had the best corrupt mayor scandal of all time #TOpoli #cdnpoli
I hope the mayor comes back or else this fringe show I've been working on for years won't be as topical :( 

6 RETWEETS  9 FAVORITES 

10:59 AM - 26 Nov 12 - Embed this Tweet
Breaking News: Toronto's Mayor booted from office. Please, please, please tell me he still gets to keep his 3 Tour De France victories!?!
And on Craigslist ....

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**USED FORD FOR SALE - $1 (Etobicoke)**

Date: 2012-11-26, 11:41AM EST

One slightly used Ford for sale.
White with red trim.
Purchased for the demolition of the City of Toronto.
Low mileage.
Ideal for hauling football equipment or towing your gravy train.

Note: Air conditioning is broken, only blows hot air.

- Location: Etobicoke
- it’s NOT ok to contact this poster with services or other commercial interests

PostingID:3435527958

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Avoid scams and fraud by dealing locally! Beware any deal involving Western Union, Moneygram, wire transfer, cashier check, money order, shipping, escrow, or any promise of transaction.
Ottawa’s Conflict of Interest Rules

• MPs prohibited from receiving “any gift or benefit ... that might reasonably be seen to have been given to influence the member”

• Can MPs accept junkets abroad paid for by controversial mining companies?
  – Yes, as long as it directly relates to the MP’s work in the House and is disclosed to the ethics commissioner
August 2012

• **Goldcorp Inc.** flew four MPs and a senator on the Vancouver-based mining company's jet to its Marlin mine in Guatemala and to meet local government officials.
  - Dave Van Kesteren MP (C)
  - Dean Allison MP (C)
  - Massimo Pacetti MP (L)
  - Bruce Hyer MP (was NDP now independent)
  - Senator Mac Harb (L)

• Wined and dined in luxury style for 3 days
Disciples of His Fordness?

• "I'm not sure what the conflict is,"
  --Massimo Pacetti MP for Saint-Léonard—Saint-Michel

• Recently proposed a tax deduction for intra-Canada vacation travel

• Suspended from caucus 2014 for sexual assault on an NDP MP
• Bruce Hyer MP: says he did nothing wrong
• Several Goldcorp mines in his NW Ontario riding
Senator Mac Harb

- Anti-seal hunting Liberal senator
- Investigated by the RCMP in 2011 for business trip to Bangladesh on behalf of Calgary-based Oil & gas company Niko Resources
  - Niko Resources developing oil & gas in India, Bangladesh, convicted of corruption of government ministers there, fined
- Since resigned from the senate
Dave Van Kesteren MP

- A Hyundai dealer and MP for Chatham-Kent-Essex
- Often a Harper-government spokesman for the pork industry
  - And big-business investments in biofuels and wind energy in SW Ontario
Dean Allison MP

- Conservative MP for Niagara West-Glanbrook
- Seems to concern himself with matters of parliamentary ethics
  - And the interests of Niagara’s fruit & vegetable growers
Hill & Knowlton

- Liberal senator Don Boudria working for Hill & Knowlton helped manage Goldcorp’s publicity and arrange the MP’s junket to Guatemala
  - H&K exaggerated/made up Iraqi atrocities to promote the first gulf war in 1990
  - Represented the US tobacco industry, Church of Scientology, Gas fracking industry, dictatorships in Indonesia against public criticism
GoldCorp

- Goldcorp’s Marlin mine in Guatemala is controversial
  - Accusation of environmental damage, health impacts, human rights violations for local people
  - Yet 85% of the profits are exported from Guatemala
- A target if Canada ever regulates the behaviour of its mining companies abroad
Holden & Jacobson 2009

• Guatemala rich in non-ferrous ores
  – Nickel, Gold, Silver, Cobalt …

• A dangerous place
  – A recent (and ongoing?) 36-year civil war
  – Government, army, police, informal militias notorious for brutal human rights abuses
  – Corrupt, divided, unequal society
Holden & Jacobson 2009

- Foreign mining companies active in Guatemala
- Canadian companies are major players in two large controversial mines
  - Marlin Mine
  - Fenix Mine
Marlin Mine

• Run by Vancouver-based Goldcorp
• Mines gold (Au), silver (Ag)
• Cyanide used in ore processing
Fenix Mine

- Mines nickel (Ni) and Cobalt (Co) with sulphuric acid leaching process
- Once run by INCO subsidiary EXMIBAL
- Then revived 2004-2008 by Vancouver-based Skye Resources and merged with/taken over by Toronto’s HudBay 2008
- Hudbay sells its Fenix interests in Aug 2011 to US-based Solway Group for $170m
Fenix Mine

- Conflict between mining company and indigenous people
- Skye Resources used the Guatemalan courts, police to evict local communities, deny their land rights
  - Skye claimed to be justified in this
  - 11 indigenous women gang-raped by police, mine security guards in 2007 eviction violence
HudBay

- The company’s main mine base in Canada is around Flin-Flon on the SK/MB border
  - Closed Trout Lake mine
  - Opens Lalor mine
- Is invested in the major new $1.5bn Constancia copper mine in Peru
Fenix Mine

2007: To finance the Fenix mine Skye Resources retained advisors:
- Morgan Stanley & Co.,
- TD Securities
- Cutfield Freeman & Co.,
Fenix Mine

• Despite selling out to Solway, HudBay still being sued for the violence around the Fenix Mine
  – The rape victims were in Toronto December 2012 to give pre-trial evidence
  – Toronto activists demonstrate outside the 2012 HudBay AGM
Holden & Jacobson 2009

• Provide us with details of how the Catholic Church has been campaigning against the abuses of foreign mining companies in Guatemala
• Confirm many of the details of the violence and environmental abuse involved
Barrick Gold

- Another major Canadian global gold miner
- Barrick’s North Mara mine in Tanzania accused of severe environmental & health damage
  - In 2011 several people shot dead outside the mine by Tanzanian police
Barrick Gold

- Peter Munk defends his company
- Munk a major donor:
  - The Munk Cardiac Centre in Toronto
  - The Munk School of Global Affairs at UofT
  - Barrick protest outside the Munk School
York’s Schulich Business School

- Gold mining exec Seymour Schulich gave the school $22 Million
- York’s business school receives funding/advice from HudBay and Barrick Gold
  - “The Core Sponsor for the Schulich International Case Competition was Barrick Gold”
- Schulich’s Dean Horváth opens the TSX 28 Nov 2011 to announce a new MBA programme in Global Mining Management
  - Graduating students intern at Barrick Gold
Natural Resources

- Metropolitan cores (Toronto, Vancouver, Calgary)
  - Find ways to profitably exploit resource-producing regions
  - Enriching themselves
  - Changing the regions they exploit
- There is some benefit to those exploited
  - But it is not very balanced
Natural Resources

- We have several bodies of theory we could use
  - Harold Innis’s ‘staples’ approach
  - Combined & uneven development
  - Core/periphery, heartland/hinterland
Natural Resources

- Metropolitan cores get changed by their exploitation of resources elsewhere
- Metropolitan profits often depend on unscrupulous behaviour
  - Abroad
  - And at home
Natural Resources

• Suppose we regulate Canadian mining companies and prevent them from abusive behaviour abroad.
• What happens next?
• They will probably move offshore to escape the regulation
  – Neoliberalism
Mid Term

• A take-home exam
• Open-book, but should be your own individual work
• Due: By noon 12 Dec 2014 via the drop box by the north elevators, 4th floor Ross Building
• Write one essay-style answer in response to a choice of questions:
Question 1

- We studied various topics in the fall term (physical geography, regional geography, metropolitan cores and resource peripheries). How do they fit together?
Question 2

• Geographers claim that each place is connected to others, and that landscape is shaped by these connections. Considering places within Canada which you know well, discuss how this works.