

New Approaches to Mining in New Caledonia

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A fierce debate over the mining of nickel has recently engulfed one of Europe's last remaining colonies, France's tiny Melanesian archipelago of New Caledonia. Although nearly 20,000 kilometers from Paris, New Caledonia remains a French overseas territory—neither a French département nor entirely autonomous. The territory, originally inhabited by the Kanak people and also known by its Native name Kanaky, is located in the South Pacific between Fiji and Australia, about 1,500 kilometers northeast of mainland Australia. New Caledonia, which has been on the United Nation's decolonization list for over 20 years, is composed of a main island, Grande Terre, and the smaller Loyalty Islands of Ouvea, Lifou, and Mare off its eastern shore. Grande Terre, where the capital city Noumea is located, is only 400 kilometers long, yet is still one of the largest South Pacific islands. Literally "Big Land," Grande Terre is also the location of nearly one quarter of the world's entire known nickel reserves.

Currently, two major mine projects underway on Grande Terre are sure to have profound effects on the environment and the people of New Caledonia. The world's largest nickel mining company, the Toronto-based International Nickel Company (INCO), is moving ahead with plans to develop an open-pit mine and a hydrometallurgical extraction plant at Goro on the southern tip of Grande Terre, amid widespread protests from both environmental and indigenous activists. A second project is a joint venture between Falconbridge, another Canadian mining giant, and the Kanak company Société Minière du Sud Pacifique (SMSP). The companies are scheduled to develop a mine at Koniambo, in the relatively impoverished and underdeveloped Northern Province of the main island. Currently, this planned pyrometallurgical project at Koniambo boasts support from both Kanak and environmental groups, who see it as a much more socially and environmentally sound endeavor than that at Goro.

The Troubles with INCO

Environmentalists and Kanak leaders alike are firmly against INCO's proposed development due to its potential for environmental degradation stemming from harsh chemicals used in the hydrometallurgical ore extraction process. Along with the Senat Coutumier, which represents the voice of the Kanak people, local Kanak tribes around Goro oppose the project because the terrestrial, marine, and atmospheric pollution generated at the mine site will threaten their traditional hunting and fishing grounds and put their health at risk. Outside the capital city of Noumea, many people, mostly Kanaks, continue to lead a quasi-traditional lifestyle that is heavily dependent on fishing and subsistence agriculture, thus any threat to the marine and terrestrial ecosystems could have grave and widespread consequences.

Further, many New Caledonians, especially the Kanaks, are concerned about profits from the Goro project leaving the territory because of the minimal local stake in Goro Nickel. Not only are the largest shareholders of the project from Canada and Japan, with the local governments holding only a combined 10 percent of the venture, but the foreign stakeholders have been granted unprecedented tax holidays.

Goro developers have touted job creation as a tangible benefit to New Caledonians. But according to their plans, many employees will be imported to the island. Aside from many skilled teams from Australia and other foreign nations hired by Bechtel, Technip and Hatch, the contractor building the complex for Goro Nickel, the company plans to import approximately 3,000 foreign laborers. The plan to bring in labor and even the operation of foreign companies in New Caledonia is in direct conflict with United Nations resolutions prohibiting these activities in colonized lands. Furthermore the spread of diseases, such as HIV and AIDS—an unfortunately common phenomenon in closed industrial towns—can be exacerbated through migrant labor flows.

Within the last few years an extensive network of peoples in communities affected by mining activities has arisen and has included many indigenous groups like the Kanak. These groups are in contact with one another, support each other's campaigns, and write to politicians expressing their unity and opposition to potentially harmful and destructive ventures. In the case of Goro, groups from India and Indonesia have sent letters to officials in New Caledonia stating their solidarity with local Kanak chiefs and their disapproval of the project. The Kanak are also supported by the Innu of Canada, who have recently reached an agreement with INCO to allow the company to begin mining activities adjacent to their homes near Voisey's Bay in Eastern Labrador.

The Importance of Koniambo

The Koniambo project is generally viewed as more environmentally friendly and favorable for the Kanak population. Labor is expected to be imported during the construction phase at Koniambo as well, but SMSP/Falconbridge has publicized a steadfast timeline for phasing out foreign workers at the site.

Because the Kanak-owned SMSP owns a 51 percent stake and Falconbridge controls the remaining 49 percent, the potential impact of this venture upon the territory's economy is dramatic. If the development proceeds as planned, it will shift the majority of the territory's economy into Kanak control.¹ This potential may have motivated French loyalists in New Caledonian government, like political strongman Jacques Lafleur, to give the huge tract of land known as the Prony Concession to Goro Nickel, in order to counter the effects of the Koniambo project on the territory's economy. Without this expanded potential for the Goro project, and because SMSP already operates several large mines on Grande Terre, the Koniambo venture could well have secured the majority of nickel resources and hence most of the New Caledonian economy under Kanak companies.

Despite complaints by some local environmental groups, the support of the Koniambo project remains strong among Kanaks and indigenous organizations such as the Senat Coutumier and the Front de Libération Nationale Kanak et Socialiste (FLNKS), who are confident that the ownership

scheme will assure that profit from the development will remain within the territory.[2]

Indigenous communities all over the world are beginning to assert their right of self-determination through engagement in natural resource development. The situations at Goro and Koniambo reveal the discernment of indigenous decisions in differentiating between development plans. Rather than having a short-term approach of jumping on the next mineral bonanza or on the environmentalist bandwagon, indigenous groups are considering their options carefully and deciding on resistance in some cases and concessions in others. The challenge for governments and developers alike is to present their case for development constructively and be willing to show inclusiveness, flexibility, transparency, and specificity in their proposals. Although the Kanak have been discerning in their approval of some mining projects, they still lack the political power to halt developments that do not meet their standards. The ability to make such decisions has not yet been fully realized.

1. New Caledonia-Review. (1998, 1999).

2. Vendegou, Regis. Personal Communication. 10 October 2002. Vendegou is Secretary General of the Senat Coutumier (New Caledonian Customary Senate), which consists of Kanak leaders from different tribal regions throughout the territory.

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