

February 3, 2001

“Honduras Is Worth More Than Gold” -- Anti-mining Campaign. More than 30% of Honduras’ territory has been licensed to foreign mining companies in just four years!

Please reproduce, publish and distribute this information.

Call for activist-interns to go to Honduras & work on this campaign [see below].

“How to get involved” info below.

If you don’t want to be on this e-list, let us know: info@rightsaction.org.

“Honduras Is Worth More Than Gold”

-- By Michael Marsh

Undoubtedly, you own at least a small piece of Honduras, or some other gold-producing country. Many people do, though frequently they don’t know it. 84% of all gold extracted from the earth this year will go toward producing rings, necklaces and earrings for consumers in North America, Europe, India and the Arab countries.

Most of this gold is given freely to international mining companies, who earn hundreds of millions of dollars in profits each year. In return they offer limited employment, pay little or no taxes, and cause major environmental and social problems in developing countries, ... such as Honduras.

Fortunately, Honduran campesinos, joined by human rights and environmental activists, are working to reverse the pillage of their nation’s natural resources, while protecting their communities and the environment.

The Asociación de Organismos No Gubernamentales, ASONOG, based in Santa Rosa de Copán, has spent more than a year investigating the massive recent arrival of gold mining companies from Canada and the United States. The results are both surprising and frightening. In just two years, 1996 and 1997, the Honduran mining department issued mining concessions totaling 21,000 square miles, or more than 30% of Honduras’ territory to foreign companies, mainly from the United States, Canada and Australia.

Under the cover of “HURRICANE MITCH”

In December of 1998, just four weeks after Hurricane Mitch ravaged much of the country, these companies achieved their first objective, the passage of a new mining law which reduced taxes and gave them nearly unlimited power to petition for the removal of traditional communities located near mineral deposits.

One of the first mining companies to take advantage of the “favorable business climate” in Honduras was Greenstone Resources Limited, then based in Toronto, Canada. Greenstone

gained the mining concession for several hundred acres in Copán in western Honduras in the mid-nineties, and promptly moved to evict the local residents.

After two years of confronting the divide and conquer tactics of Greenstone, which included shutting off water to the community and intentionally running over one resident with a bulldozer, the residents of San Andrés Minas succumbed. Four years later, the community still does not have legal title to the new lands promised to them and Greenstone, after going bankrupt, was auctioned to a new company.

Recently, the new company has been the target of numerous environmental complaints, including making illegal discharges of waste into a nearby river, using cyanide within 25 yards of occupied homes, and causing the deaths of farm animals.

In another part of the country, a second company, Entre Mares, owned by the US company Glamis Gold, faces civil and criminal charges for usurping water from nearby communities and for cutting down a forest without permission. Entre Mares, which commenced operations without the required environmental license, has been the target of numerous protests by members of the Committee to Protect the Environment in the Valley of Syria. [In a side note, Nevada-based Glamis Gold also made history in the U.S. in January, when for the first time ever then-Interior Secretary Bruce Babbitt denied its permit for a mine slated for sacred Quechan Indian land in southern California.]

The argument in favor of expanding mining operations in Honduras is a neo-liberal economic model based on attracting foreign venture capital, at all costs. Passed under the devastating shadow of “el Huracan Mitch”, the new mining law offers companies lifelong concessions, low taxes, unlimited access to water, legal rights to expropriate campesino and indigenous lands, and few environmental regulations with which to comply.

In December of 2000, the International Monetary Fund –“IMF”- pressured Honduras to reduce taxes even further, with the elimination of the export tax on mining products. With land use fees as low as \$1500 a year for a large mine, and a nominal 1% municipal tax, Honduras has created an ideal tributary environment for foreign companies.

Supporters of the neo-liberal mining model have argued that the Honduran economy will benefit from rising employment offered by the mines. Not even this has materialized. In San Andrés Minas, the community forcibly removed by Greenstone, only 11 people are employed at the mine. Overall, the mine employs just 144 people, less than half of the 370 jobs promised by the company when it convinced the government to grant it the concession.

Considering that the land occupied by the mine was used previously to grow corn and graze cattle, the local economy of San Andrés was destroyed, and the ‘increase’ in employment has not help provide any economic growth since the arrival of Greenstone.

Facing these social and environmental problems, communities harmed by international mining companies are joining together. Residents of communities in western Honduras have visited

communities in central Honduras and vice versa. Indigenous people in eastern Honduras are fighting to protect the rivers that run through their ancient tropical rainforest from dredging.

CAMPAIGN -- "Honduras Is Worth More Than Gold"

In March 2001, these communities, together with environmental and human rights organizations, will meet to launch a national anti-mining campaign, "Honduras Is Worth More Than Gold." Several of the goals of this campaign are: 1) prohibit the use of cyanide in mining operations, 2) prohibit the expropriation of campesino and indigenous lands, and 3) strengthen mining and environmental laws.

WHAT YOU CAN DO:

- 1) Help investigate via internet the US and Canadian mining companies with operations in Honduras. Write Michael Marsh [address below] for more information.
- 2) Write a letter in English or Spanish supporting the "Honduras Is Worth More Than Gold" campaign, to be read at the March launching of the campaign. Encourage your organization to write a letter of support. Letters will later be presented to the Honduran mining department. Email your letter to ASONOG [address below], or mail it to: ASONOG, Apdo. Postal 218, Santa Rosa de Copán, Honduras, Central America.
- 3) Come and be a volunteer, who can live in Honduras and work on the campaign. Desired commitment: one year. Stipend funding a possibility. Contact Michael Marsh [Address below].
- 4) Read more about how international mining companies are ruining the lives, livelihood and environment in developing countries at Project Underground (www.moles.org) and the Mineral Policy Center (www.mineralpolicy.org).

FOR MORE INFORMATION:

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