

Canadian Mining Companies Make the Big Move into Afghanistan

By [Michael Skinner](#)

Global Research, December 13, 2011
13 December 2011

Region: [Asia, Canada](#)
In-depth Report: [AFGHANISTAN](#)



Mining in Afghanistan. Photo by Patrick Andrade www.patrickandrade.com

On 24 November 2011, the Government of [Afghanistan awarded a Canadian mining company](#), Kilo Goldmines, approximately 25 percent of the stake to develop the massive Hajigak iron deposit in Bamiyan Afghanistan. A consortium of Indian companies won the other 75 percent of the development.

The Hajigak deposit – the largest iron deposit in Asia and possibly the world – is “[truly significant on a global scale](#)”.

Developing Hajigak among approximately 1,500 other geological deposits in Afghanistan is significant not only economically, but also geopolitically in the [global battle for control of Eurasia](#).

Investments measured in the tens of billions of dollars are necessary to develop the Hajigak mine and the transportation, communications, and energy infrastructure needed to support it. This is big business at work at its biggest scale working in tandem with the most powerful and wealthiest governments in the world.

With the announcement that a Canadian mining company will begin to reap some of the dividends of Canada’s significant military investment in Afghanistan, you might think the story would have been front-page news in Canada. It wasn’t. The story only made news in the [mining journals](#).

Not surprisingly, it was [news for Afghans](#), however.

Canadian mining in Bamiyan, Bamiyan province, Afghanistan.

The city of Bamiyan, near Hajigak, is the capital of Bamiyan province and the centre of Hazarajat – the home of the Hazara people. The Hazara are one of many distinct nations that compose the diverse multi-national state of Afghanistan. They are also one of the most oppressed and persecuted of the many Afghan nations.

I visited Bamiyan in 2007. A geologist, I'll call Aziz, who we met at the University of Bamiyan, first told us about the significance of the Hajigak deposit.



View from Shahr-e Gholghola across the Bamiyan Valley. Photo Michael Skinner

Aziz guided my research partner and I on the short climb up Shahr-e Gholghola, a squat mountain that sits alone in the centre of the Bamiyan Valley. Sitting atop Shahr-e Gholghola, with the verdant Bamiyan Valley as his backdrop, Aziz told us his story of war, empire, and mining in Afghanistan.

I [wrote](#):

“Looking over the Bamiyan Valley, we can see that productive and sustainable agriculture fills every available niche in a delicate balance of nature. It is an extremely fragile environment, similar to the arid American southwest. Building a railway through the valley, spewing toxic waste into the atmosphere during the smelting process, and dumping tons of slag onto the watershed would have an incredibly destructive impact on the delicate ecological balance that has been maintained for millennia by local farmers. Aziz reminded us of the genocidal slaughter of the Indigenous peoples of the Americas as they were displaced to make way for economic development and the ecological destruction that resulted from resource extraction. Recognizing that, to this day, resource extraction practices continue to disrupt social and environmental systems, Aziz fears for the future of the Hazara people of Bamiyan and all Afghans throughout his country.”

Like so many Afghans I met, in 2007, Aziz did not believe the propaganda that a “humanitarian” empire invaded Afghanistan to liberate Afghans from oppression, or to secure the world from terrorists.

Many Afghans confronted daily by the brutal facts of war, believe an American led Empire of Capital invaded Afghanistan to liberate Afghans from their resource wealth, [estimated at more than \\$3 trillion](#), and to [secure priceless geopolitical advantages](#) for the most wealthy and powerful states, including Canada, that comprise this globalizing empire.

Whether these Afghans' fears are accurate may be unclear. It is clear that hundreds of billions of dollars were invested in the military intervention. Now tens of billions of dollars are flowing into industrial development expected to benefit investors generally based in a few key financial centers.

The investment measured in human development projects that could benefit Afghans, such as repairing schools and medical facilities, can be measured in a few tens of millions of dollars. Investment in human development pales in comparison to investment in the military mission and now the investment in industrial development.

Who will benefit from Canadian investments in Afghanistan?

Ed Fast, Canada's Minister of International Trade as well as Minister for the Asia-Pacific Gateway, [stated on 4 December 2011](#): "Canada is strongly committed to helping Afghans rebuild their country, and this investment by Kilo Goldmines will create jobs and prosperity for Afghans and Canadians alike"

Minister Fast's claim might provide hope for Afghans and make investors in Kilo Goldmines feel good, but it is hardly based in reality.

The truth is that "[Canadian mining companies are far and away the worst offenders](#) in environmental, human rights and other abuses around the world", according to a study commissioned by, of all people, the Canadian mining industry itself.

Watch CTV's W5 exposé of Canadian mining in Guatemala, "[Searching for Gold at the end of the Guatemalan rainbow](#)", if you want to see the abhorrent ways some Canadian miners operate abroad and how the Canadian government supports these companies.



In 2005, in Solola, Guatemala, protestors blockade mining equipment destined for Canadian owned Glamis gold mine in San Marcos. The Canadian ambassador orders the Guatemalan president to end the blockade. One man is killed when police attack protestors.

Afghanistan will likely prove to be an even more difficult place for Canadian mining companies to do business than Guatemala.

But the people at [Kilo Goldmines](#) know how to exploit resources in conflict zones. Kilo made much of its fortune in the DR Congo, where, despite the signing of peace accords in 2003, government forces and insurgents continue to fight a bloody war that has [killed an estimated 3 million people](#).

In Afghanistan, Kilo Goldmines and the other Canadian companies likely to soon invest in

Afghanistan will be able to rely on the Afghan military and police forces for protection – that’s what we are training those Afghans to do after all.

Investors will undoubtedly line up behind the façade of the Government of Canada’s promise that “[Kilo Goldmines will create jobs and prosperity for Afghans](#)”

Canadians need look no further than our own backyard to Attawapiskat on the Ontario shore of Hudson Bay to see how empty that promise may prove to be.

South African mining in Attawapiskat, Ontario, Canada

In the 1990s, the South African DeBeers Company proposed building a diamond mine to exploit a rich vein of diamonds beneath Attawapiskat land in northern Ontario.

You might think that if someone discovered diamonds buried in your backyard, you would become rich. Alas, in Ontario, like the rest of Canada, [the law generally states](#), if a mining company wants to exploit the resources found on your land, the best you might hope for is to negotiate with the company for compensation.

Of course your ability to negotiate depends on many factors particularly how much money you can afford to pay competent legal advisors and negotiators.

The people of the Attawapiskat First Nation tried to negotiate fair compensation with DeBeers for years. The process divided the community between those who wanted to protect their ancestral land in its natural state, and those who hoped to benefit from exploiting their resources either by getting good jobs at the mine or by starting businesses to service the mine.

In the end, DeBeers was the big winner. The people of Attawapiskat lost at least as much as they gained in the [Impact Benefit Agreement](#) (IBA) they signed with DeBeers, in 2005.

The diamonds mined on Attawapiskat land, since 2008, may not be “blood diamonds”, but there is no such thing as “[clean diamonds](#)”. Diamond mining may be marginally cleaner than some types of mining, but every mine affects the environment.

In addition to environmental concerns, the social and economic impact on the people of Attawapiskat has not proven positive. Only a fraction of the promised jobs ever materialised and the mining company does little business with the community of [Attawapiskat](#).

Gaining a diamond mine in their backyard certainly didn’t help many of the people of Attawapiskat; most are worse off today.

Less than a year after miners began to dig up diamonds, the people of Attawapiskat began a series of [protests](#) in front of the DeBeers offices in Timmons, Ontario.

The protestors complained DeBeers was not upholding its end of their contract with the people of Attawapiskat. The people of Attawapiskat had expected their contract with DeBeers would at least mitigate if not solve their problems of inadequate housing, unsafe drinking water, lack of sewage and sanitation services, and their lack of an adequate elementary school.

Like so many other Indigenous communities throughout Canada and Quebec, the

Government of Canada had consistently [failed to uphold its promises](#) to the people of Attawapiskat. Many people had false hopes that the deal with DeBeers would solve their problems; it didn't.

Seeing that the protests at the DeBeers office, in 2008, did not yield results, the protestors took direct action in early 2009. They [blockaded](#) the seasonal ice road that services the mine.

The miners have only a few weeks during the coldest time of winter, when they can bring in transport trucks bearing supplies and heavy equipment via the ice-road. The mine is inaccessible overland for the rest of the year.

The protestors at the ice road blockade claimed DeBeers was not fulfilling the promises made in the BA contract issued a list of demands to DeBeers.

The news media neglected the story for years. Among few reports is a mining journal that noted, in 2009, that "[discontent is simmering](#)", in Attawapiskat.

Only in recent weeks have the horrific problems faced by the people of Attawapiskat hit the [headlines](#) in Canada.

The problems of the people of Attawapiskat may have been breaking news for most Canadians, but it has been the [daily reality lived by Aboriginal Peoples displaced from their land](#) in Canada and elsewhere.

Few if any articles that have exposed the reality of Attawapiskat in recent weeks, however, question the inequities of a South African diamond mining company reaping profits from Attawapiskat land, and governments reaping mining royalties from the mining company, while the people of Attawapiskat continue to suffer from poverty.

The processes of imperialism from Attawapiskat to Afghanistan

The processes of imperialism that investors and their governments employ during both war and peace, and the effects these processes have on people are hardly new.

Tactics have changed, since the East India Company first began to occupy India in 1600, and invaded Afghanistan in the early 19th century. The tactics have changed since the Virginia Company and Hudson's Bay Company among others began to occupy North America.

The occupiers no longer justify their corporate missions as Christianising-civilising missions; today these are liberalizing-democratizing missions.

The intimate nexus of states and corporations in the past may have enjoyed greater public legitimacy than today. State leaders now pretend to separate state and corporate agendas, but they really are playing an ideological game of pretend with no foundation in reality.

Corporate mercenary forces were considered legitimate until the 19th century. But the Indian rebellion of 1857 against the military dictatorship of the East India Company ended that legitimacy. While perceived as problematic today, [corporate mercenary forces](#) are re-emerging as state's offload many military functions to corporations.

Despite these and other tactical differences between the empires of the past and today, the strategic goals remain the same. The strategic goals are: that investors make a profit; and that corporations and the states that support them and are co-dependent with them for survival, stay on top of a globalizing system of free enterprise.

What happens to the people of either Attawapiskat or Afghanistan is only of concern in this system of corporate/state empire when it negatively affects the corporate bottom-line and the wealth and power of the occupying states.

I have no doubt many people in Canada, perhaps even a majority are generally concerned about the welfare of our fellow human beings in places like Attawapiskat and Afghanistan.

However, ours are not the loudest voices heard by the government. Look at lobby groups like the Canadian Association of Defence and Security Industries ([CADSI](#)) and the Canadian Council of Chief Executives ([CCCE](#)) if you want to know who does have the most influential voices in government.

Another world is possible, however.

The original source of this article is Global Research
Copyright © [Michael Skinner](#), Global Research, 2011

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Michael Skinner](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca