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OF  
INDIGENOUS  
PEOPLES**

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TRANSNATIONAL CORPORATIONS  
AND  
THEIR EFFECT ON THE RESOURCES AND LANDS OF INDIGENOUS PEOPLES

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This paper has been prepared based on the policies of the World Council of Indigenous Peoples' and the documentation that was made available by member nations and distributed at the workshops on National Issues and Economic and Political Imperialism in Indigenous Homelands which were held in conjunction with the WCIP Third General Assembly, April, 1981.

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Transnational Corporations  
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For some years now the activities of transnational corporations have been the object of numerous investigations and reports by research groups, regional and national organizations, and governments alike. It is therefore timely that the international community is focussing their attention on the activities of transnational and multinational enterprises and their disastrous impact on Indigenous peoples lives, resources and lands.

There are, obviously, many sides to this issue but this paper will focus only on two. The first being that of the current economic situation which is the result of the present world economic order of industrial capitalism, an order which consolidates wealth and power amongst a very few privately-owned gigantic corporations which exceed national borders and national government control. Richard Chase Smith in his paper titled, "The Multinational Squeeze on the Amuesha People of Central Peru" has described this accumulation of wealth as "...among other methods, through the exploitation of raw materials and labor which are now found mainly in the non-industrialized third world. It is a well published fact that one of the results of this economic order is that the gap between the so-called developed and the so-called less developed countries is expanding, not narrowing". In summary that means that the rich countries are growing richer while the poor countries are becoming poorer.

The other being the deprived economic situation of Indigenous peoples. Traditionally, Indigenous Nations practiced

a sophisticated system of economy; all the members of the community participated in the different sectors of production and, by right, everyone received their fair portion, no one took more because no one had to have less, no one exploited, no one begged and no one died of malnutrition. However, today, due to capitalist exploitation and its desire to satisfy the demands of consumer society, an unequal distribution of wealth is imposed and proportionally 15% of the world population monopolizes, selfishly, 85% of the world resources while 85% of the world population must make do with what remains.

Indigenous peoples have had the control of much of their lands and resources usurped. Consequently there are Indigenous peoples in the world who are still ruled by a non-Indigenous minority, and continue to pay for the luxurious lifestyle enjoyed by that colonial ruling class. It is within this context that, as the representative for Indigenous organizations located in twenty-six nation-states in five regions of the world, representing in excess of 60,000,000 people, the World Council of Indigenous Peoples' (WCIP) has been invited here today to provide an Indigenous perspective on the affect these profit-oriented power enclaves have exerted, and continue to exert, over the territories, resources and lives of Indigenous peoples.

With the co-operation of the economic and political strategies of the governments, corporations, and banks of the industrialized world, Amax, Alcan, Coca Cola, Kraft, Mitsubishi, Noranda, Sanyo, United Fruit, Royal Dutch Shell, and Xerox, to mention only a few of the transnational corporations, are attempting to control the world's resources. Each corporation represents men and technology designed and determined to open up a country and its' resources to the exploitation by the industrialized world, and of course, in the process, accumulation and consolidation

of wealth and power takes place. The resultant effect on Indigenous peoples is stated in the following way by Richard Chase Smith in his paper titled "The Multinational Squeeze on the Amuesha People of Central Peru"; "In the end it is the Indigenous peoples who pay; their civilization is negated and at the same time they are forced to give up their land and natural resources, and then are either paid low wages to work and extract those same resources, or they are simply moved out of the way".

The World Council of Indigenous Peoples' holds each and every one of these corporations responsible for the deprivation of Indigenous Nations of their self-determination - control over their own future. Therefore the WCIP regards transnational corporations as the most immediate and serious threat to the survival of the Indigenous Nations of the Fourth World and, perhaps, the survival of all other nations.

The WCIP, throughout its history, has drawn a clear focus on what is rapidly coming to be known as the "Fourth World". The Fourth World are those Indigenous Nations who are increasingly becoming recognized as either threats to international stability or seen as the key to stabilizing the international community. Either way, Indigenous peoples are a political and economic reality. Indigenous Nations are separate and distinct peoples surrounded by nation-states. Although separately indentifiable as peoples, colonialism has rendered Indigenous Nations as vulnerable to domination and control by the more powerful, such as transnationals. As Indigenous peoples, our right to self-determination and self-government have been denied. This denial of our existence has resulted in the emergence of a kind of international chauvinism which permits the exploitation and destruction of our peoples' lands and resources. As distinct peoples, Indigenous Nations must become recognized as a significant part of the global dialogue concerned with achieving co-operation between industrial and developing countries.

The exploitation and/or radical alteration of natural resources as an integral part of global development has had dramatic and disastrous effects on ecosystems throughout the world. The destruction of ecosystems has inevitably meant the destruction of indigenous economic and political communities. The short term economic, social and political gains resulting from such exploitation masks the long term spoilation of ecosystems essential to the survival of mankind. The target of global resource exploitation has most often centered on ecosystems of which indigenous groups are a part. A global strategy which emphasizes development tempered by conservation and the protection of indigenous groups and their resources is essential to the preservation of life-giving resources. The global community must accept, as a binding principle of international law, the permanent right of indigenous groups to their territories and their natural resources. Furthermore, consideration must be given to the interests of Indigenous peoples to the lands and natural resources located within and across nation-state boundaries to which their original rights have been denied.

The Sami people of Norway have been struggling to convince the Norwegian Government to stop the construction of a hydro-electric dam. This proposed hydro-electric project at Stilla Site on the Alta-Kautokeino River threatens to destroy the environment necessary for the Sami peoples to sustain their traditional lifestyle. The opposition has been going on for ten years. It reached its climax in the autumn of 1980 when a group of Sami people were on a hunger strike outside the Norwegian Parliament to protest against the Government's decision to regulate the watercourse. At the same time big demonstrations took place all over the country, as well a protest camp was established in the regulation area. While supporters and

protestors lived in tents on the banks of Alta, where temperatures ranged below minus thirty degrees centigrade, thirty-five others chained themselves to the mountainside, refusing to be removed by the police. The World Council of Indigenous Peoples' found it most regrettable that the Sami people were forced to hunger-striking and civil disobedience to protect their basic rights.

In Canada, as in many other countries, Indigenous peoples have been the forgotten partners in the development and enjoyment of the country's rich resources. The following is but one of many incidences which have occurred recently; the Minister of Environment for the Province of British Columbia granted a license to the Enmar Company in an experiment to determine if the collection and processing of kelp for food or as a manufacturing substance is worth while. This encroachment of seaweed gathering directly affects and interferes with the natural traditional gathering and food supply of the Tsimshian Indians. Led by the Kitkatla Band, the Tsimshian Nation is determined to stop the company's harvest and destruction of their traditional food source.

"Today it is their oil and minerals which the industrial world wants; tomorrow it will be their timber. And tomorrow, native land titles will not be sufficient to prevent multinational lumber corporations from extracting the timber from native lands". These are again the words of Richard Chase Smith from his paper titled, "The Multinational Squeeze on the Amuesha People of Central Peru". The statement is supported by what is happening to the Inuit people of Baker Lake in Northern Canada who recently went to court claiming their aboriginal rights protected their resources from mining companies. The court decided Aboriginal Rights were not enough to prevent mining exploration.

By this court decision Indigenous peoples rights to oil and gas, and off-shore resources are in jeopardy. The Inuit of Baker Lake will now have twice the struggle to protect their natural resource rights against transnationals.

In El Salvador, as elsewhere in Central and South America, the political parties of the elite European colonials are competing for control of lands and resources while Indigenous Peoples are being slaughtered by both sides. Thousands of innocent people are being indiscriminately killed. Whole villages of Indigenous Peoples are being murdered and their property destroyed although they are not directly involved in the European ideological conflicts raging throughout South and Central America. What on the surface appears to be a civil war is actually a war of genocide and ethnocide against Indigenous Peoples, committed by European descendants who are seeking control over Central America. The interest of transnational corporations in the exploitation of this area's natural resources and cheap labor is the reason behind the conflicts. It is these corporations and their colonial middlemen who want to take the many valuable resources and the necessary transportation sites from Indigenous lands. The survivors of these genocidal wars may have no alternative but continued exploitation as cheap labor to support transnational goals. The WCIP strongly believes that the United Nations must immediately encourage domestic restraints on all representatives of transnational corporations in order to prevent further subversion of the Central American region.

Though this sketch of a few historical episodes is from recent indigenous experiences, Indigenous peoples are not just now encountering 'civilization'. Quite to the contrary, our people have been involved in a lengthy struggle to protect their lands and resources. To illustrate, we would like to



share an account taken from the IWGIA Document No. 34 by Norman E. Whitten Jr. on Amazonian Ecuador:

When Goodyear invented vulcanization in 1839 world demand for rubber soared. Amazonia was, at that time, the center of wild rubber and those who sought to control the outflow of latex had but to control the territories and harness labor to tap the wild trees. Native peoples and mestizo colonists were cajoled, tricked and eventually enslaved into service. By the late 1800's the boom was at its peak...and the elaborate system of collection, centralization, and shipment of the latex outward from inner Amazonia to the United States and Europe was expanding exponentially.

The caucheros, as the rubber searchers were called, developed a system of reciprocal raiding and terrorism as they attempted to control a jungle zone and maintain a captive labor force to exploit wild latex. "Constant thefts of Indians by one "cauchero" from another led to reprisals more bloody and murderous than anything the Indian had ever wrought upon his fellow Indian. The primary aim of rubber-getting, which could only be obtained from the labor of the Indian, was often lost sight of in these desperate conflicts" (Casement 1912:10). Rubber was the product to be sold on the world markets.

But on the tributaries of the Upper Amazon the native peoples were the immediate prize and the target of the rubber boom social malignancy. "The object of the "civilized" intruders, in the first instance, was not to annihilate the Indians, but to "conquistar", i.e., to subjugate them, and put them to what was termed civilized, or at any rate profitable, occupation to their subduers" (Casement 1912:10).

From the late 1800's through the 1920's native peoples of the Upper Amazon experienced war and atrocity; they were pitted against one another and removed from their territories. Many fled to the few refuge zones beyond control of the rubber Barons and their guerrilla enslavement squads.

But the refuge zones too were soon penetrated, this time by petroleum exploration of the late 1920's. Royal Dutch Shell Oil corporation began exploration around 1920 and in 1928 began the construction of the Banos-Puyo road. By the late 1930's the Oriente was characterized by wide flung oil exploration, and, in some areas, a large intrusion of well-to-do non-Ecuadorians and a flood of poor nationals. As oil exploration, the establishment of plantations (many based on foreign capital), and mission activity expanded, World War II erupted, and in July, 1941, Peru invaded Ecuador.

Indigenous Peoples around the world have shared a history of such events. They have experienced intimidation and threats, deprivation and injustice, and discrimination and genocide. The threat of extinction of Indigenous Nations prevails. We must now ask ourselves the inevitable question, "What are the alternatives for Indigenous Peoples?".

The World Council of Indigenous Peoples is the first global effort established by Indigenous peoples to preserve and protect the group integrity of aboriginal and indigenous peoples throughout the world. We regard the preservation and protection of Indigenous interests essential to the preservation of world peace and world development.

We have just adjourned our Third General Assembly whereby between 400-500 representatives of Fourth World Nations, after five days of plenary and work sessions, agreed in principle to the development of an International law to protect Indigenous Rights.

More specifically a workshop on "Economic and Political Imperialism in Indigenous Homelands" examined the activities of transnational corporations and industrial national governments as they affect the economic and political existence of Indigenous Peoples throughout the world. We would like to present you the following shared observations of the Indigenous representatives:

- While colonial governments have, in most cases, allotted lands to Indigenous Peoples which are barren and marginal in agricultural productivity, imperialist actions have forced them to make their living from the most inhospitable areas of the earth.

- These lands are now found to contain valuable minerals and resources which transnationals argue are needed to accommodate the increasing demand for materials, continued corporate growth and industrial 'progress'.
- Realizing the necessity of establishing economies independent from the world economic system based on their rights to self-determination, Indigenous Peoples are increasingly being seen as a nuisance to governments and transnational corporations.
- To promote corporate investments the Indigenous People must be removed or silenced to make way for mines, dams, plantations and factories.
- Indigenous Nations today are suffering economically more than ever before and are not in control of sufficient resources to protect their interests and maintain their traditional forms of life.
- Rapid industrialization has done little to raise the standard of living, provide adequate food, housing or education.
- For the most part, Indigenous communities are now too poorly equipped to respond to the devious attacks launched against them by transnationals and are inevitably headed for the slums and ghettos of the starving millions.

In conclusion, the WCIP urges the international community to recognize and respect our rights, as Indigenous

Peoples, to self-determination. Our right to own and manage our land and natural resources is the fundamental element in order for us to survive as Indigenous Nations.

In closing, I would like to take this opportunity, on behalf of the World Council of Indigenous Peoples, to commend the Sub-Committee on Racism, Racial Discrimination, Apartheid and Decolonization of the Special NGO Committee on Human Rights in Geneva for taking the initiative to organize this Conference. We have deeply appreciated this opportunity to illustrate the effects of the industrialized world upon the Indigenous Nations throughout the world.

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Chronology of Transnational Corporation Activity  
in Australia  
1957-1981

\*This chronology, which has been prepared by the Aborigines of Australia, has been attached to our presentation to illustrate the devious manoeuvres by transnationals on Indigenous Peoples and their lands.

1957-1981 - Chronology

- 1957 Consolidated Zinc (later to merge with another British company, Rio Tinto, to form Rio Tinto Zince - R.T.Z.) took mining rights for bauxite over 2,270 sq. miles at the heart of the largest continuous Aboriginal Reserve lands in north-east Australia - on the Reserves of Weipa, Mapoon and Aurukun.
- The rights secured, Kaiser Aluminium of the U.S.A. joined forces with Consolidated Zinc to form Comalco to mine the world's largest known deposit of bauxite (aluminium).....over 3,000 million tons. Management responsibilities for the mine were later held by R.T.Z.'s Australian subsidiary - Conzinc Riotinto of Australia (CRA).
- The companies adamantly refused to pay compensation or royalties to the Aborigines. They took all timber, cattle and water rights too.
- mid 60's In the mid-1960's, the Tipperary Corporation (American), Billiton Aluminium Aust. BV (Dutch) and Aluminium Pechiney Holdings Pty. Ltd. (French) were granted authority to prospect for bauxite on the Aurukun Reserve.
- 1965 Alcan, of Canada and the U.S.A., took out an adjacent bauxite lease over 536 sq. miles of the Mapoon Reserve. The Queensland Minister for Mines stated in 1957 that the Alcan lease had on it 'just as much bauxite as the Comalco lease', an enormous deposit. Again the Aborigines were not consulted and no compensation went to them.
- 1965-75 The iron ore mines of the Pilbara, in the north-west of Australia were opened. These mines make Australia the world's leading exporter of iron ore and currently account for about 90% of Australia production.
- This region is a major centre of Aboriginal culture and of Aboriginal resistance, yet has never had any large areas set aside as Aboriginal Reserves.

1965-75 (cont.)

The major producers are Hamersley Holdings, controlled by R.T.Z. of London, but again with substantial involvement by Kaiser of the U.S.A.; Mt. Newman Mining Co. (owned by Australian, American and British - Cyprus Mines, Gold-fields, Utah); Robe River (Australian and Japanese - Cliffs Western; Englehard; Burns Phillip and Mitsui).

An anthropologist reported that Newman Mines initially employed a few Aborigines but 'by 1970 the mining company was making quiet efforts to get rid of both Aboriginal employees and the small group of local Aborigines who were living on the edge of the town. Local police were telling Aborigines that they were not welcome in Newman.'

1966

Broken Hill Ltd., the major Australian mining company, took a 100 year lease over part of the Groote Eklandt Reserve to mine the largest Australian manganese deposit (500 million tons). This is on the major Aboriginal island Reserve in the Northern Territory. This deposit is big enough to supply the whole world's needs at current levels of consumption for 20 years. Outside of Russia, it is the world's third largest manganese mine. Under Federal legislation for the Northern Territory, the company has to pay the Aboriginal community a small royalty - \$10,000 on the first 100,000 tons produced and 2% royalty on the rest. They have to pay 1% to the Land Councils and 0.75% to an Aboriginal Trust Fund - 3.7% in all. However the Aboriginal community were not consulted about the mining of their land, nor about the settlement of yet more Europeans on their tribal land.

1968

Alusuisse of Switzerland obtained a bauxite mining lease over the eastern part of the major Arnhemland Reserve - the largest Aboriginal Reserve in northern Australia. Again the Aborigines did not consent and were not consulted. Aborigines could not fish within 30 miles of the Alusuisse refinery because of pollution. Alusuisse have at least 250 million tons of bauxite reserves on this lease.



1968 (cont.)

In 1968 discussions were held about certain conditions to reserve lands with Aurukun's managing religious organization (Presbyterians) and the Aurukun Aboriginal Council, and the corporation promised continued consultation.

1975

Shell (through its wholly-owned subsidiary Billiton), working in association with Pechiney (P.U.K.) of France and Tipperary of the U.S.A., took a bauxite mining lease over 736 sq. miles of the Aurukun Reserve to the south of the Comalco lease. They found on this over 1,000 million tons of bauxite. This lease was secured despite strong opposition from the Aboriginal community. Again no compensation is to be paid to the community. A payment will go to the Director of Aboriginal Advancement in Brisbane for government expenses. In October 1977 the British Privy Council heard a case alleging that the government had violated its trusteeship in negotiating this lease. They ruled for the government against the Aborigines.

1976

R.T.Z. secured diamond exploration rights over the largest Aboriginal Reserve in Western Australia - at Forrest River. Again the Aborigines did not want their lands destroyed and were dismayed at the rush of mining companies to secure entry on to their lands.

1977

Mount Isa Mines, (40% owned by Asarco of the U.S.A.), prevented land at McArthur River in the Northern Territory, near the coastal Queensland border, being returned to the local Aborigines. M.I.M. have claimed the largest (200 million tons) lead/zinc/silver deposit in the world. There is much Aboriginal opposition to mining, especially since it will entail re-routing a river with important sacred places along it.

The Aborigines of Aurukun and Mornington Island sought from the Commonwealth Government assistance in having the land vested in free hold title to their respective communities. The Queensland Government then attempted to oust the Church management. After general ineffective invocations by the Federal Government, the Queensland Government