

## Mining and Religion Don't Mix in Philippines

By Richard Mills

The biggest story in the Philippine mining sector these days has to do with religion. Thirty bishops of the Roman Catholic church have brought the Lord into the anti-mining debate by releasing a statement demanding the government terminate all current and future mining concessions.

The bishop's edict was a strongly worded one that singled out foreign mining companies specifically for producing "evil effects." They said, "the promised economic benefits of mining by these transnational corporations are outweighed by the dislocation of communities, the risks to health and livelihood and massive environmental damage."

This is all being taken rather seriously by the mining industry because the bishops are considered powerful in this developing country where 95% of the population adhere, more or less, to the Catholic faith.

The local mining industry and the government seem to have been initially caught off guard by the absolutist nature of the bishop's demands. Emergency meetings were called but formal announcements were not immediately forthcoming.

Eventually, however, muted responses did come. The newly appointed mines minister, Angelo Reyes, declared during a recent trade delegation in South Africa that Philippines is "open for investment."

Philip Romualdez, the respected head of the country's Chamber of Mines, warned that obeying the bishops, "will essentially signal to all investors, not just in the mining industry, that making an investment in the Philippines is a bad one." He also added that shutting down the mining industry would impact 2 million industry workers.

Industry leaders feel that the government and the industry were wise to provide muted responses to the concerned outbursts of the bishops. Many also expressed sympathy for the bishop's cause of helping those in need -- although they expressed great differences in opinion on how best to improve the lives of destitute people.

As in other countries, the Philippine mining industry seems resolved to endure the abuse thrown against it by becoming the sensitive new-age industry that it promised to be in the past but didn't always follow through on. Dialogue sessions with the bishop's representatives are the next step in this process in Philippines and arrangements are underway. Let's see if they can all learn to get along with each other.

## **Emerging Country Search:**

Chalré Associates focuses its Executive Search services on the emerging countries of Asia. We bridge the gap between the local environment and world-class requirements of multinational corporations in countries like Philippines, Indonesia and Thailand that are underserved by traditional firms. Call or email for more information.

## **Richard Mills CFA**

Chalré Associates Executive Search



t: +632 892 6703

m: +63 (0) 917 832 0110

e: rmills@chalre.com w: www.chalre.com