# Chapter 1 Mining Industry and Its Influence

#### **ABSTRACT**

The mining industry has tremendous impact on people and communities. The opening of a large mine has economic, environmental, and social consequences at the national, state, or provincial and local levels. Mining company activities can also positively and negatively influence many lives. The challenge is for mining multinational corporations (MNCs), communities, and governments to rationalise real action for the community. As initiatives and programmes show success, these experiences can be woven into ongoing operations if lines of communication are kept open. Mining MNCs can promote dialogue among the various stakeholders and disseminate the results of efforts that have helped enhance the sustainability of the economic impacts of mining. This chapter discusses various impacts of the mining industry on women, including skill development, poverty, health, and economic impacts. Issues of corporate social responsibility as a key function of mining MNCs in Thailand and Laos are discussed.

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### INTRODUCTION

Corporate Social Responsibility (CSR) refers to voluntary actions undertaken by mining companies to either improve the living conditions (economic, social, environmental) of local communities or to reduce the negative impacts of mining projects. (DFAT, 2014)

The mining industry has considerable potential to help reduce poverty and accelerate human development through the promotion of gender equity, increasing government and community revenues and generating employment among women in the community. This industry has been a central socioeconomic activity in many communities worldwide. Most of them are in emerging and frontier economies.

While ideologies of human rights, gender equity and the elimination of discrimination underpin most large multinational corporations' (MNCs) employment policies, counter-ideologies of gender equity often prevail in practise (Moon, 2008). Most mining MNCs have been striving to adopt business ideologies and developmental practises that promote equity between men and women. However, women in the mining industry reportedly still struggle to work at a similar level to men (Mercier & Gier, 2007).

However, management of mining impacts in developing countries can be complex and challenging for all stakeholders. Extraction of natural resources through activities such as mining is limited to a particular geographical area. Often its activities are conducted in or near communities and have direct or indirect impacts on community resources, capabilities and well-being, thus leading to a state of poverty, violent behavior, and resentment by communities toward these businesses, and creating other forms of human deprivation such as water and air pollution, and issues of land access, farming and toxicity.

Previous studies (Yakovleva & Vazquez-Brust, 2012; Oxfam, 2009) also confirm that several factors can be attributed to gender disengagement practises among stakeholders in the mining industry including mining MNCs, local authorities, communities, NGOs and local government agencies. The failure to promote engagement among these stakeholders and existing unstable and weak national institutions leads to gender-based disadvantages (DeSoto, 2000).

Whilst there is evidence of increasingly effective and sophisticated developmental activities on gender equity by mining MNCs, there is no clear understanding of various approaches they have adopted. Due to their significant economic and social roles, we must understand how mining MNCs promote

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