Addressing the injustices of resource exploitation

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Briefing Note:

This section takes an in-depth look at how, despite having a pervasive influence on contemporary life, the resource exploitation industry remains non-inclusive and frequently perpetuates injustice. This briefing seeks to outline the current state of the industry, noting that the profits and consequences of fossil fuel exploitation fall unequally, and also that the pollution and environmental degradation associated with mining projects too often impacts the most vulnerable communities. Additionally, we take notice of a basic lack of representation in the mining industry in terms of gender and race.

Overview:

- Globally, the soaring profits of fossil fuel exploitation constitute a massive wealth transfer from the poor to the rich, while current compensatory methods like carbon credits do little to mitigate fossil-fuel linked environmental destruction.
- The extractive sector is plagued with lax and poorly enforced regulation, permitting severe pollution and exploitation, particularly of the world's most vulnerable communities.
- Despite the worldwide importance and impact of the extractive sector, the industry suffers from a distinct lack of diversity, limiting its potential for innovation, efficiency and growth.

The winners and losers of fossil fuel exploitation

Globally, the soaring profits of fossil fuel exploitation are concentrated in the hands of an elite minority, even while average prices increase significantly.

- In the United Kingdom, for the period of October 2022 to March 2023, the average annual gas and electricity bill for a direct debit customer will be £2,500. This represents a 27% increase over the summer 2022 price cap and a 96% increase over the winter 2021/22 price cap.[1]

- In the first half of 2022, top oil companies including BP, Shell, ExxonMobil, Chevron and Total recorded profits of almost $100bn - which is triple the earnings they made during the same period in 2021. Moreover, these same companies have announced shareholder returns, in the form of dividends and share buybacks, worth $52bn for 2022, which is more than half of their total profits for the first half of the year.[2]

- The wealthiest 10% of American households own an overwhelming majority of all shares, accounting for a massive 84% of total ownership.[3]

- The ownership of stocks is also significantly influenced by race and ethnicity; for example, in the US in 2019, 61% of white, non-Hispanic households owned

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[1] "Energy Price Cap: Background and Cap Levels," House of Commons Library, last modified February 8th, 2022, accessed February 9th, 2023

[2] Jillian Ambrose, "Oil Firms Seem More Interested in Shareholders than Net Zero," The Guardian, August 2nd, 2022, accessed February 9th, 2023 https://www.theguardian.com/business/2022/aug/02/oil-firms-seem-more-interested-in-shareholders-than-net-zero.

[3] Edward N. Wolff, "HOUSEHOLD WEALTH TRENDS IN THE UNITED STATES, 1962 TO 2016: HAS MIDDLE CLASS WEALTH RECOVERED?," (National Bureau of Economic Research, November 2017), accessed February 9th, 2023

stocks, whereas only 34% of Black and 24% of Hispanic households owned them.[4]

Meanwhile, the negative effects of fossil-fuel linked climate change fall principally on the world's poorest, most vulnerable communities.

- According to the OECD, low-income countries are the most vulnerable to extreme weather events, including droughts, floods and storms – for example, in the last two decades, more than 91% of extreme weather deaths occurred in developing countries (using the United Nations Country Classification). This means that, with climate change contributing to increasingly frequent extreme weather events, the world's poorest countries will face the greatest impact from natural disasters.[5]
- The World Bank estimates that climate change could push more than 100 million people into extreme poverty by 2030, primarily in the poorest regions of the world (Sub-Saharan Africa and South Asia). Climate change is expected to exacerbate existing poverty by reducing crop yields, increasing food prices, and increasing the risk of natural disasters.[6]
- The United Nations note that climate change disproportionately increases the difficulties already faced by indigenous communities including political and economic marginalisation, loss of land and resources, human rights violations, discrimination and unemployment. Some of the concerns facing indigenous peoples include the change in species and availability of traditional food sources, as well as the reduction in the reliability of weather predictions. [7]

Though carbon credits have been introduced as a method of reducing or compensating for commercial environmental harm, they are fundamentally limited, may distract from reducing emissions, and at worst harm some of the world's most vulnerable communities.

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[4] Casey Leins, "Who Owns Stocks in America? Mostly, It's the Wealthy and White," U.S. News & World Report, March 15, 2021, accessed February 9th, 2023 https://www.usnews.com/news/national-news/articles/2021-03-15/who-owns-stocks-in-america-mostly-its-the-wealthy-and-white.

[5]Organisation for Economic Co-operation and Development. "Poverty and Climate Change". Paris: OECD Publishing, 2015, https://www.oecd.org/env/cc/2502872.pdf

[6] World Bank. "Rapid Climate-Informed Development Needed to Keep Climate Change from Pushing More than 100 Million People into Poverty by 2030." World Bank, November 8, 2015. https://www.worldbank.org/en/news/feature/2015/11/08/rapid-climate-informed-development-needed-to-keep-climate-change-from-pushing-more-than-100-million-people-into-poverty-by-2030

[7]United Nations Department of Economic and Social Affairs. "Climate Change and Indigenous Peoples." United Nations, accessed March 16, 2023.
https://www.un.org/development/desa/indigenouspeoples/climate-change.html

- Out of the total credits for 1 billion tons of CO2 listed on carbon registries, only approximately 300-400 million tons of CO2 offsets are actually achieved.[8]
- "Greenwashing," or the practice of misleadingly portraying environmental benefits, is often perpetuated through methods such as investing in non-verified carbon credits, failing to prioritise in-house emissions reductions, and double-counting carbon credits.[9]
- Amnesty International has reported that the Sengwer people of Embobut forest in Kenya were forcibly evicted from their homes and stripped of their ancestral lands in a violent manner as a part of the government's effort to reduce deforestation linked to carbon credit schemes.[10]

Similarly, though promising in some capacities, biodiversity credits face several limitations which call into question their validity as a method for compensating for climate-change linked environmental harm.

- The Biodiversity Consultancy finds that there is a very real risk that poorly designed biodiversity credit regulations could lead to negative outcomes and unintended consequences for biodiversity, people, and business - specifically, they note a danger that businesses come to perceive them as a 'licence to trash"[11]
- An additional challenge is that direct assessment of conservation outcomes is highly difficult, given the fundamental variability in ecosystems and measurement uncertainty. For example, direct observations of species populations typically result in highly variable results with wide error margins[12]
- Moreover, a major obstacle for biodiversity credit policies is the displacement of negative impacts, commonly referred to as "leakage." For example, efforts to

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[8] "Biggest Carbon Offsetting Limitations," Impactful Ninja, accessed February 5th, 2023 https://impactful.ninja/biggest-carbon-offsetting-limitations/.

[9] "Carbon Offsetting: How Are Businesses Avoiding Greenwashing on the Road to Net-Zero?," Edie, accessed February 5th, 2023https://www.edie.net/carbon-offsetting-how-are-businesses-avoiding-greenwashing-on-the-road-to-net-zero/.

[10] "Kenya: Sengwer Evictions from Embobut Forest Flawed and Illegal," Amnesty International, May 16, 2018, accessed February 5th, 2023 https://www.amnesty.org/en/latest/news/2018/05/kenya-sengwer-evictions-from-embobut-forest-flawed-and-illegal/.

[11] The Biodiversity Consultancy. "Exploring design principles for high integrity and scalable voluntary biodiversity credits." The Biodiversity Consultancy, December 2022, accessed March 16, 2023. https://www.thebiodiversityconsultancy.com/fileadmin/uploads/tbc/Documents/Resources/Exploring_design_principles_for_high_integrity_and_scalable_voluntary_biodiversity_credits_The_Biodiversity_Consultancy__1_.pdf

[12] Jones, Julia PG, B. E. N. Collen, Giles Atkinson, Peter WJ Baxter, Philip Bubb, Janine B. Illian, Todd E. Katzner et al. "The why, what, and how of global biodiversity indicators beyond the 2010 target." *Conservation Biology* 25, no. 3 (2011): 450-457.

reduce deforestation in one region can result in increased forest loss in another area. Leakage can be divided into two categories: primary leakage, which occurs when activities shift elsewhere, and secondary leakage, which is caused by market effects.[13]

The hidden harms of resource exploitation

Industrial resource exploitation across the world is marred by lax regulation and exploitable legal loopholes which results in severe pollution of the surrounding environment.

- Mongolia is considered one of the most resource extraction-dependent countries globally— 77% of Mongolian land is classified as degraded or desertified. All regulations in place are easily avoidable and exploitable as the government does not have much incentive to hold extraction companies accountable.[14]

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[13] Roe, Stephanie, Charlotte Streck, Robert Beach, Jonah Busch, Melissa Chapman, Vassilis Daioglou, Andre Deppermann et al. "Land-based measures to mitigate climate change: Potential and feasibility by country." *Global Change Biology* 27, no. 23 (2021): 6025-6058.

[14] Václav Pecina et al., "The Impacts of Mining on Soil Pollution with Metal(Loid)s in Resource-Rich Mongolia," Scientific Reports 13, no. 1 (2023), https://doi.org/10.1038/s41598-023-29370-w.

- Boké is a telling case: it is known for its rich deposits of bauxite, but the environmental pollution caused by mining extraction is severely mismanaged. Despite the implementation of reforms with respect to the environment— the National Action for the Environment— political instability and corruption have had a negative impact on the sustainable performance of the country.[15] [16]

- Six decades of exploitation by Shell Nigeria, as well as 822 oil spills have devastated the Niger Delta and the communities living around it, making it one of the most polluted places on Earth according to researchers.[17] Locals have been protesting and are now taking legal recourse to force Shell to clean up the region. Their dissent has been met with silence from the government.[18]

Resource exploitation is also inextricably linked with indigenous land theft. Many communities affected by pollution from these activities have also lost ancestral land due to colonial behaviour exhibited by resource extracting industries:

- After his election, Brazil's President Bolsanoro issued an executive order transferring the regulation of indigenous land reserves from Brazil's indigenous agency (FUNAI) to Brazil's Ministry of Agriculture, which is significantly influenced by the agribusiness industry. Between January 2019, when Bolsonaro took office, and September 2019, invasions of indigenous land increased 40% on the previous year.[19]

- Peru faces a growing problem of illegal gold mining, which has become the country's most lucrative illicit industry in recent years. Lack of oversight and easily-bribed local officials have created an enabling environment that exploits both indigenous peoples and their land. Workers at Peru's largest illegal mines

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[15]"Guinea: Bauxite Mining Boom Threatens Rights," Human Rights Watch, August 22, 2022, https://www.hrw.org/news/2018/10/04/guinea-bauxite-mining-boom-threatens-rights.

[16] Ilaria Dibattista et al., "Socio-Environmental Impact of Mining Activities in Guinea: The Case of Bauxite Extraction in the Region of Boké," Journal of Cleaner Production 387 (2023): p. 135720, https://doi.org/10.1016/j.jclepro.2022.135720.

[17] Arinze Chijioke, "Niger Delta Oil Spills Bring Poverty, Low Crop Yields to Farmers," Environment | Al Jazeera (Al Jazeera, September 9, 2022), https://www.aljazeera.com/features/2022/9/9/niger-delta-oil-spills-bring-poverty-low-crop-yields-to-farmers.

[18] "Nigeria: Shell Must Clean up Devastating Oil Spills in the Niger Delta Shell Oil Spill Nigeria Trial," Amnesty International, February 7, 2023, https://www.amnesty.org/en/latest/news/2023/02/nigeria-shell-oil-spill-trial/.

[19] Carter Squires, Kelsey Landau, and Robin Lewis, "Uncommon Ground: The Impact of Natural Resource Corruption on Indigenous Peoples," Brookings (Brookings, March 9, 2022), https://www.brookings.edu/blog/up-front/2020/08/07/uncommon-ground-the-impact-of-natural-resource-corruption-on-indigenous-peoples/.

in Madre de Dios recall indigenous Amazonians being taken to work in remote mining operations at gunpoint.[20] [21]

- Hundreds of kilometres of the slated Coastal GasLink pipeline, in Canada, would be running through indigenous Wet'suwet'en territory.[22] Indigenous peoples control significant swaths of Canadian land, frequently overlapping with areas targeted by developers. While consultation and consent of First Nations groups are ostensibly required for such projects, these mechanisms have been insufficient and have often favoured developers.[23]

In the Global North a pattern has emerged of polluting factories and mines being in the immediate vicinity of racial minorities— often causing these communities to bear the brunt of the negative side effects associated with said pollution.

- Many plants and refineries are located along the Houston Ship Channel, bordered by neighbourhoods such as Harrisburg/Manchester and Galena Park, which are 90% and 80% Hispanic, respectively.[24] These communities are disproportionately exposed to 23 million pounds of pollutants (in 2019) emitted by industrial factories in the region compared to predominantly white communities.[25]

- The United States Oil and Gas Industry releases about 9 million tons of methane gas and other toxic chemicals into the atmosphere that disproportionately affects African American and low-income communities. Over a million African Americans live within a half-mile of natural gas facilities, and a

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[20] Sam Jones, "Illegal Gold Mining Drives Human Rights Abuses in Latin America, Claims Study," The Guardian (Guardian News and Media, April 7, 2016), https://www.theguardian.com/global-development/2016/apr/07/illegal-gold-mining-drives-human-rights-abuses-in-latin-america-claims-giatoc-study

[21] Carter Squires, Kelsey Landau, and Robin Lewis, "Uncommon Ground: The Impact of Natural Resource Corruption on Indigenous Peoples," Brookings (Brookings, March 9, 2022), https://www.brookings.edu/blog/up-front/2020/08/07/uncommon-ground-the-impact-of-natural-resource-corruption-on-indigenous-peoples/.

[22]Alicia Elliott, "Opinion | A Pipeline Offers a Stark Reminder of Canada's Ongoing Colonialism," The Washington Post (WP Company, February 13, 2020), https://www.washingtonpost.com/opinions/2020/02/13/pipeline-offers-stark-reminder-canadas-ongoing-colonialism/.

[23] "A Pipeline through Historically Native Land Has Sparked Protests in Canada," The Economist (The Economist Newspaper), accessed March 10, 2023, https://www.economist.com/the-americas/2020/02/20/a-pipeline-through-historically-native-land-has-sparked-protests-in-canada.

[24] Ammara Mohsin Much, "Examining the Effects of Environmental Inequity in Houston," Understanding Houston, April 22, 2021, https://www.understandinghouston.org/blog/examining-the-effects-of-environmental-racism-in-houston.

[25] Mark Collette and Matt Dempsey, "Dangerous Chemicals Create Hidden Dangers in Houston," Houston Chronicle (Houston Chronicle, July 26, 2018), https://www.houstonchronicle.com/news/investigations/article/Dangerous-chemicals-roadblocks-to-information-7420931.php.

million more face a cancer risk above the United States Environmental Protection Agency's level of concern due to unclean air.[26]

- Blacks, Asians, Hispanics, Latinos, and low-income communities in the USA are being exposed to higher levels of dangerous fine particulate air pollution (PM2.5) than other groups, according to new research from Harvard T.H. Chan School of Public Health.[27] [28]

[26] Aneesh Patnaik et al., "Racial Disparities and Climate Change - Psci," Princeton University (The Trustees of Princeton University, August 15, 2020), https://psci.princeton.edu/tips/2020/8/15/racial-disparities-and-climate-change.

[27] Christopher W. Tessum et al., "PM 2.5 Polluters Disproportionately and Systemically Affect People of Color in the United States," Science Advances 7, no. 18 (2021), https://doi.org/10.1126/sciadv.abf4491.

[28] "Racial, Ethnic Minorities and Low-Income Groups in U.S. Exposed to Higher Levels of Air Pollution," News, January 24, 2022, https://www.hsph.harvard.edu/news/press-releases/racial-ethnic-minorities-low-income-groups-u-s-air-pollution/.

The dearth of diversity in mining

Mining is one of the most impactful and influential sectors in the modern global economy.

- According to UNCTAD's report in 2020, mining may be regarded as the most globally connected industry, with a contribution of almost 7% to the global gross domestic product (GDP), with considerable and frequent involvement in cross-border projects.[29]

- In low and middle-income countries, mining typically accounts for 60 to 90 percent of foreign direct investment, and mining can account for 30 to 60 percent of total exports. Furthermore, certain low-income countries heavily depend on mining to generate fiscal revenues, such as DR Congo and Guinea, where mining contributes around 25 and 23 percent of tax revenues respectively. Similarly, Botswana, a middle-income country, derives 44 percent of its revenues from mining.[30]

- A considerable global expansion of various mining projects will also be fundamental to any transition to a low-carbon economy, with the EU predicting that an investment of billions of euros in aluminium, iron, nickel and rare-earth metal exploitation is necessary to meet future demand.[31]

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[29] United Nations Conference on Trade and Development. “World Investment Report 2020” Accessed February 20th, 2023.
https://unctad.org/system/files/official-document/wir2020_en.pdf.

[30] Euromines. "New ICMM Report on the Role of Mining in National Economies." November 22, 2016. Accessed February 20th, 2023.
https://www.euromines.org/news/new-icmm-report-role-mining-national-economies.

[31] European Commission. “Estimating environmental damage: key resources required for EU low-carbon transition”. October 5, 2022. Accessed February 20th, 2023
https://environment.ec.europa.eu/news/estimating-environmental-damage-key-resources-required-eu-low-carbon-transition-2022-10-05_en

Despite its international importance, the mining sector exhibits a considerable lack of diversity, with a particularly sharp gender imbalance.

- PwC's 2015 Mining for Talent report on the top 500 mining companies reveals that women account for a mere 7.9 percent of board members, and that the representation of women in executive management pipelines is decreasing.[32]

- Gender diversity in the mining industry remains a pressing issue. The report notes that "despite diversification efforts, fewer than 1 in 5 mining leaders are women". Whilst the number of women working in the mining sector has increased significantly over the past 17 years -from 11,400 in 2002 to over 53,100 today - women still only represent about 12% of the entire global mining workforce.[33]

- When compared to the racial makeup of American society, the mining industry is noticeably lacking in representation of Black and Hispanic/Latino workers. Black or African American workers constitute just 4.1% of miners while making up 13.4% of the US population. Similarly, Hispanic miners represent only 12.6% of the workforce despite comprising 18.5% of the US population.[34]

This is worthy of urgent attention– not only because diversity is a worthy goal in itself, but because it has been proven to lead to better decision making

- Research conducted by McKinsey & Company and the Peterson Institute for International Economics has shown that diversity in leadership positively correlates with economic performance. McKinsey's study found that companies in the top quartile in terms of gender diversity in their executive teams outperformed in profitability and value creation.[35]

- A prominent example of the positive impact of diversity in leadership is the influential role that Cynthia Carroll, former CEO of Anglo American, played in establishing a new safety standard for the mining industry.[36]

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[32] PwC. (2015). "Women in mining: Steps, strategies and best practices for companies." Retrieved from https://www.pwc.co.uk/assets/pdf/women-in-mining-2015.pdf.

[33] S&P Global Market Intelligence. (2019, March 6). "Despite diversification efforts, fewer than 1 in 5 mining leaders are women." Retrieved February 25th, 2023, from https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/despite-diversification-efforts-fewer-than-1-in-5-mining-leaders-are-women-59101897.

[34] Zippia. (n.d.). Miner Demographics: Who Mines and What Are They Like? Retrieved February 25th, 2023 https://www.zippia.com/miner-jobs/demographics/

[35] McKinsey & Company. "Diversity wins: How inclusion matters." McKinsey & Company, January 2015, https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters.

[36] Mukunda, G., Mazzanti, L., & Sesia Jr, A. "Cynthia Carroll at Anglo American". Harvard Business Publishing. October 2013.

Insight:

Overview:

This section aims to illustrate the underlying factors which have caused and aggravated the injustices of global resource exploitation. Firstly, it aims to establish the historical and contemporary factors which concentrate the profits of fossil fuel exploitation in the hands of an elite minority, while also exposing the reasons why current compensatory methods – including carbon credits – are insufficient to counter the harms of such exploitation. Additionally, this section explores the prejudices and regulatory shortcomings which have permitted often harmful environmental pollution from mining projects to go unaddressed. Finally, it considers the material, cultural and legislative reasons for the deficit of diversity in the mining sector, as well as the consequences of this state of affairs.

The disparity between the winners and losers of fossil fuel exploitation can be explained as a part of wider wealth and income inequality - additionally, this inequality of outcomes is exacerbated by insufficient compensatory methods

Following fundamental disruptions in supply and demand – most notably Russia's invasion of Ukraine – it is clear that fossil fuel companies have opportunistically raised prices and have subsequently made an active choice to pursue stock buybacks or distribute dividends instead of choosing keeping prices low or reinvesting profits into sustainable technologies.[37]

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[37] Jillian Ambrose, "Oil Firms Seem More Interested in Shareholders than Net Zero," The Guardian, August 2nd, 2022 https://www.theguardian.com/business/2022/aug/02/oil-firms-seem-more-interested-in-shareholders-than-net-zero

There are several reasons why oil companies have taken such an apparently short-term approach. Inherently, publicly traded oil companies are motivated by the desire to maximise value for shareholders, and raising prices in order to buy back stocks or pay dividends is the obvious way to do so.[38] Equally, a short-term strategy can be explained by the fact that the management of fossil fuel companies act in their own self-interest; managers of these companies often prioritise stock buybacks and dividends over investments in sustainability measures or other long-term investments because it benefits them by boosting stock prices and therefore their own compensation.[39]

Thus, the current situation of energy prices rises is notably non-inclusive, exacerbating inequality because stock ownership is essentially already elite - for example, the wealthiest 10% of Americans own 84% of stocks.[40] This means that the soaring corporate profits associated with these price rises are concentrated in the hands of an already rich minority.

One of the primary reasons for this concentration of stock ownership is wealth inequality. Simply put, the wealthiest individuals and institutions have the most resources to invest in stocks and other assets, which allows them to accumulate more wealth over time.[41] Additionally, stock ownership has been historically concentrated in the hands of a small group of wealthy individuals and families, who have passed down their wealth and investments to future generations.[42]

As a result, measures which increase corporate profit by raising the essential bills of an ordinary person essentially constitute a wealth transfer from the poor to the wealthy, exacerbating inequality. This is concerning because social inequality is a proven causal factor for general poor health, unhappiness, and social unrest.[43]

Additionally, carbon credits appear insufficient as a measure to compensate for fossil-fuel linked environmental destruction. Carbon credits are a market-based approach to reducing greenhouse gas emissions by allowing companies or countries to offset their emissions by purchasing credits from projects that reduce emissions elsewhere.[44] While carbon credits can be useful in producing some emissions reductions, they

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[38] Jensen, Michael C., and William H. Meckling. "Theory of the firm: Managerial behavior, agency costs and ownership structure." Journal of financial economics 3, no. 4 (1976): 305-360.

[39] Young, Steven, and Jing Yang. "Stock repurchases and executive compensation contract design: The role of earnings per share performance conditions." *The Accounting Review* 86, no. 2 (2011): 703-733.

[40] Edward N. Wolff, "HOUSEHOLD WEALTH TRENDS IN THE UNITED STATES, 1962 TO 2016: HAS MIDDLE CLASS WEALTH RECOVERED?," (National Bureau of Economic Research, November 2017)

[41] Fagereng, Andreas, Luigi Guiso, Davide Malacrino, and Luigi Pistaferri. "Heterogeneity and persistence in returns to wealth." *Econometrica* 88, no. 1 (2020): 115-170.

[42] Fagereng, Andreas, Luigi Guiso, Davide Malacrino, and Luigi Pistaferri. "Heterogeneity and persistence in returns to wealth." *Econometrica* 88, no. 1 (2020): 115-170.

[43] Wilkinson, Richard, and Kate Pickett. "The spirit level." *Why equality is better for everyone* (2010).

[44] Fairbairn, Eduardo MR, Branca B. Americano, Guilherme C. Cordeiro, Thiago P. Paula, Romildo D. Toledo Filho, and Marcos M. Silvoso. "Cement replacement by sugar cane bagasse ash: CO2 emissions reduction and potential for carbon credits." *Journal of environmental management* 91, no. 9 (2010): 1864-1871.

appear insufficient as a measure to fully compensate for fossil-fuel linked environmental destruction. The main problem with carbon credits is that they do not directly address the underlying issue of fossil fuel consumption, which is the root cause of climate change.[45]

Moreover, there are concerns about the credibility and effectiveness of many carbon offset projects – for example, out of the total credits for 1 billion tons of CO2 listed on carbon registries, only approximately 300-400 million tons of CO2 offsets are actually achieved.[46] “Greenwashing," or the practice of misleadingly portraying environmental benefits, is often perpetuated through methods such as investing in non-verified carbon credits, failing to prioritise in-house emissions reductions, and double-counting carbon credits.[47] A common practice of “generating” carbon credits is the protection of forested areas from commercial use – however this is problematic as it is difficult to prove that any area is actually in danger of logging.[48]

Additionally, this approach has perpetuated injustice in areas with poorly defined or enforced property rights - Amnesty International has reported that the Sengwer people of Embobut forest in Kenya were forcibly evicted from their homes and stripped of their ancestral lands in a violent manner as a part of the government's effort to reduce deforestation linked to carbon credit schemes.[49]

Consequently, it is clear that several key limitations prevent market-based solutions like carbon credits from countering the non-inclusivity and environmental destruction of the fossil fuel industry.

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[45] Intergovernmental Panel on Climate Change (IPCC). Climate Change 2013: The Physical Science Basis. Summary for Policymakers. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. (2013)

[46] "Biggest Carbon Offsetting Limitations," Impactful Ninja, Accessed February 5th, 2023 https://impactful.ninja/biggest-carbon-offsetting-limitations/#:~:text=A%20newly%20planted%20tree%20could,wiping%20out%20newly%20planted%20trees.

[47] Carbon Offsetting: How Are Businesses Avoiding Greenwashing on the Road to Net-Zero?," Edie Accessed February 5th, 2023 https://www.edie.net/carbon-offsetting-how-are-businesses-avoiding-greenwashing-on-the-road-to-net-zero/

[48] Patrick Greenfield, "Revealed: more than 90% of rainforest carbon offsets by biggest certifier are worthless, analysis shows"', The Guardian, January 18, 2023, accessed March 9, 2023 https://www.theguardian.com/environment/2023/jan/18/revealed-forest-carbon-offsets-biggest-provider-worthless-verra-aoe

[49] "Kenya: Sengwer Evictions from Embobut Forest Flawed and Illegal," Amnesty International, May 16, 2018, accessed February 5th, 2023 https://www.amnesty.org/en/latest/news/2018/05/kenya-sengwer-evictions-from-embobut-forest-flawed-and-illegal/#:~:text=The%20Sengwer%20people%20were%20never,of%20Kenyan%20and%20international%20law.&text=%E2%80%9CThe%20Sengwer%20people%20were%20never,obtained%20prior%20to%20their%20eviction.

The dearth of diversity in the mining industry can be attributed to a number of structural factors, including restrictive cultural perceptions and an acute lack of training opportunities

The mining industry undeniably lacks in diversity; women, people of colour, and indigenous communities are just a few of those groups underrepresented in the sector.[50] There are multiple factors that contribute to this dearth of diversity, including cultural norms, gender stereotypes, lack of education and training opportunities, and discriminatory practices.

One major factor is the cultural perception of mining as a male-dominated industry, which can discourage women from pursuing careers in mining.[51] Mining is perceived as a job that requires physical strength and endurance, which are qualities that are often associated with masculinity. This can make it difficult for women to envision themselves in these roles, as they may feel that they do not fit the traditional mould of what a miner should look or behave like.[52] This perception is often reinforced by media portrayals of mining, which tend to focus on the physical labour required and the perceived toughness of the work.[53] As a result, women may be discouraged from pursuing careers in mining because they do not see themselves represented in this way.

Additionally, mining companies prioritise hiring individuals with previous experience in the industry, which can perpetuate the underrepresentation of minority groups.[54]

Furthermore, in many areas, there is a lack of education and training opportunities for individuals from marginalised communities, making it difficult for them to enter the industry.[55] Discriminatory practices such as unconscious bias in hiring and promotion, as well as harassment and discrimination in the workplace are also significant contributors to the lack of diversity in the sector.[56]

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[50] PwC. (2015). “Women in mining: Steps, strategies and best practices for companies.”
Zippia. (n.d.). Miner Demographics: Who Mines and What Are They Like? Retrieved February 25th, 2023 https://www.zippia.com/miner-jobs/demographics/

[51] McKinsey & Company. "Why Women are Leaving the Mining Industry and What Mining Companies Can Do About It." McKinsey & Company, September 2023,

[52] McKinsey & Company, September 2023

[53] Macdonald, Catherine, 'The Role of Gender in the Extractive Industries', in Tony Addison, and Alan Roe (eds), Extractive Industries: The Management of Resources as a Driver of Sustainable Development (Oxford, 2018; online edn, Oxford Academic, 22 Nov. 2018),

[54] McKinsey & Company, September 2023

[55] Business Media MAGS. "Is Mining Investing Sufficiently in Training and Skills Development?" Business Media MAGS. (2020)

[56] McKinsey & Company, September 2023

The consequences of this are considerable - diversity in the workplace has been shown to increase profitability. Studies have consistently found that companies with more diverse workforces tend to be more innovative and better equipped to meet the needs of a diverse customer base. For example, a study by McKinsey & Company found that companies with more diverse executive teams had higher profits than their less diverse counterparts.[57] Another study by the Boston Consulting Group found that companies with more diverse management teams had higher revenue growth and greater innovation.[58] Both studies identify that diverse teams tend to be better at problem-solving and decision-making, as they bring a wider range of perspectives and ideas to the table. By prioritising diversity in hiring and promoting an inclusive workplace culture, companies can reap the benefits of a more diverse workforce, including increased profitability and improved performance. However, currently, the mining sector's fundamental lack of diversity prevents access to many of these benefits, fundamentally limiting growth, innovation and efficiency.

Lax global regulations permit the widespread exploitation of the environment and ethnic minorities in the 21st century

Mining corporations and industrialists have long exploited lax regulations in developing countries to maximise profits. Unfortunately, these countries' governments are either corrupt, bribed, or have no choice but to allow such exploitation, as a significant portion of their national income comes from such operations. Consequently, the governments cannot enforce stricter regulations to mitigate the risks posed by these industries—pollution, disease, labour exploitation, and land theft, just to mention a few. Wealthy corporations or even national elites often control the funds coming into these countries and have a strong grasp over their governments.

In Peru, illegal gold mining has overtaken cocaine as the nation's most remunerative global export.[59] The Global Initiative Against Transnational Organised Crime details how organised crime groups that consist of national elites fuel child labour, sexual exploitation and even human trafficking through their illicit gold mining activities. Moreover, funds from these exploitative practices line government officials' pockets and fund domestic terrorism, money laundering and corruption.

Like Peru, there are countless examples of developing countries riddled with corruption, where powerful elites and politicians control the country's resources, including minerals and natural resources. These elites often receive kickbacks and bribes from mining companies and industrialists to ignore or overlook laws and regulations designed to protect workers, the environment, and indigenous

[57] McKinsey & Company. Diversity wins: How inclusion matters. (2020).

[58] Boston Consulting Group. How diverse leadership teams boost innovation. (2018).

[59] Sam Jones, "Illegal Gold Mining Drives Human Rights Abuses in Latin America, Claims Study," The Guardian (Guardian News and Media, April 7, 2016), https://www.theguardian.com/global-development/2016/apr/07/illegal-gold-mining-drives-human-rights-abuses-in-latin-america-claims-giatoc-study.

communities.[60] Thus, they prioritise profits over the welfare of their people, perpetuating a vicious cycle of poverty and exploitation.

In Brazil, for instance, ex-President Jair Bolsonaro issued an executive order transferring[61] the regulation of indigenous land from Brazil's indigenous agency (FUNAI) to the Agricultural ministry, which is effectively run by industrialists from the agribusiness industry.[62] Various resource exploitative activities began soon after this, like logging the Amazon forest, mining, and meat farming. This reaps profits for the elites, who are also often stakeholders in the government. Such activities effectively exploited the Yanomami[63] indigenous people and their lands. These industrialists, government authorities and national elites are vested in perpetuating the exploitation. They use their political power to weaken or ignore regulations designed to protect the indigenous communities and their lands.[64]
Another reason for lax regulation is the economic dependence of these countries on their mining and industrial sectors. Mining companies and industrialists exploit this dependence to extract as many resources as possible, ignoring regulations or failing to implement best practices. This dependence creates a bargaining power imbalance, which corporations exploit to their advantage, pushing for lax regulations that maximise profits. For example, according to the World Bank[65], mining accounts for over 80% of Mongolia's export revenue— a quarter of its GDP. Moreover, as mentioned in the briefing, 77% of Mongolian land is classified as degraded or desertified as a result of intense mining operations.[66]

Moreover, wealthy mining corporations and industrialists often come from the global North and have immense power and influence over the governments of developing countries. This power imbalance further weakens the ability of these governments to regulate these industries effectively. This type of exploitation and lax regulation is a facet of Neo-colonialism. In this context, wealthy corporations from the global North

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[60] Carter Squires, Kelsey Landau, and Robin Lewis, "Uncommon Ground: The Impact of Natural Resource Corruption on Indigenous Peoples," Brookings (Brookings, March 9, 2022), https://www.brookings.edu/blog/up-front/2020/08/07/uncommon-ground-the-impact-of-natural-resource-corruption-on-indigenous-peoples/.

[61] Dom Phillips, "Jair Bolsonaro Launches Assault on Amazon Rainforest Protections," The Guardian (Guardian News and Media, January 2, 2019), https://www.theguardian.com/world/2019/jan/02/brazil-jair-bolsonaro-amazon-rainforest-protections.

[62] Gabriel Stargardter and Anthony Boadle, "Brazil Farm Lobby Wins as Bolsonaro Grabs Control over Indigenous Lands," Reuters (Thomson Reuters, January 2, 2019), https://www.reuters.com/article/us-brazil-politics-agriculture/brazil-farm-lobby-wins-as-bolsonaro-grabs-control-over-indigenous-lands-idUSKCN1OW0OS.

[63] Jon Lee Anderson, "Blood Gold in the Brazilian Rain Forest," The New Yorker (Conde Nast, November 4, 2019), https://www.newyorker.com/magazine/2019/11/11/blood-gold-in-the-brazilian-rain-forest.

[64] "Illegal Bill to Permit Mining on Indigenous Territories Proposed by Bolsonaro to Brazil's Congress," Amazon Watch, August 4, 2020, https://amazonwatch.org/news/2020/0206-illegal-bill-to-permit-mining-on-indigenous-territories-proposed-by-bolsonaro#:~:text=Mining%20activity%20in%20Indigenous%20territories,the%20authorization%20of%20the%20National.

[65] World Bank. 2021. The Role of the State in Mongolia's Mining Sector. © Washington, DC. http://localhost:4000//entities/publication/ef04d8da-1799-56a6-804a-7158a5fa4042

[66] Václav Pecina et al., "The Impacts of Mining on Soil Pollution with Metal(Loid)s in Resource-Rich Mongolia," *Scientific Reports* 13, no. 1 (2023), https://doi.org/10.1038/s41598-023-29370-w.

perpetuate a system of economic dependence and exploitation on developing countries.[67]

However, certain communities in the Global North are also not safe from the exploitative practices of these corporations.[68] It has been well documented[69] how negative externalities from resource-extraction industries, such as pollution[70] and water contamination, are mismanaged and primarily affect ethnic minorities or low-income communities.[71] This is because most people from these communities contribute to the manual labour necessary for these extractive activities. Also, most factories and mines that pollute the environments around them are located near these communities.[72]

In conclusion, lax regulation in developing countries exploited by large mining corporations and industrialists exists because governments are corrupt, bribed, or have no choice but to allow exploitation, as a significant portion of their national income comes from such operations. Wealthy corporations, often from the global North, control the funds coming into the country, further weakening the ability of these governments to regulate effectively. This exploitation perpetuates a system of economic dependence, perpetuating the cycle of poverty and exploitation. Additionally, ethnic minorities within the Global North are also not safe from these corporations' malpractices.

Conclusion:

It is clear that injustice and exclusion manifests itself in myriad different ways in the context of the extractive sector. Often this is as a result of structural incentives which promote extreme profit-seeking regardless of the harmful consequences, and which fail to encourage ethical and inclusive behaviour. Consequently, it is clear governments, international institutions and industry leaders each have the

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[67] Halperin, S.. "neocolonialism." Encyclopedia Britannica, January 31, 2023. https://www.britannica.com/topic/neocolonialism.

[68] Aneesh Patnaik et al., "Racial Disparities and Climate Change - Psci," Princeton University (The Trustees of Princeton University, August 15, 2020), https://psci.princeton.edu/tips/2020/8/15/racial-disparities-and-climate-change.

[69] Mark Collette and Matt Dempsey, "Dangerous Chemicals Create Hidden Dangers in Houston," Houston Chronicle (Houston Chronicle, July 26, 2018), https://www.houstonchronicle.com/news/investigations/article/Dangerous-chemicals-roadblocks-to-information-7420931.php.

[70] Christopher W. Tessum et al., "PM 2.5 Polluters Disproportionately and Systemically Affect People of Color in the United States," *Science Advances* 7, no. 18 (2021), https://doi.org/10.1126/sciadv.abf4491.

[71] "Racial, Ethnic Minorities and Low-Income Groups in U.S. Exposed to Higher Levels of Air Pollution," News, January 24, 2022, https://www.hsph.harvard.edu/news/press-releases/racial-ethnic-minorities-low-income-groups-u-s-air-pollution/.

[72] Ammara Mohsin Much, "Examining the Effects of Environmental Inequity in Houston," Understanding Houston, April 22, 2021, https://www.understandinghouston.org/blog/examining-the-effects-of-environmental-racism-in-houston.

responsibility to take significant action in order to improve governance and regulation in this sector.

Policy Recommendations:

Overview:

The following policy recommendations offer a blueprint for tackling the multifaceted problems of environmental exploitation - namely, it addresses how governments can redistribute profits from these industries more equitably and improve the regulation of compensatory methods like carbon credits. Additionally, it covers how governments must prioritise the welfare of their people over profits and regulate resource extraction industries effectively. Finally, it elucidates how governments can promote diversity in the mining sector through a strong regulatory framework, while recommending how firms can promote and foster a culture of diversity and inclusion. Through these actions, governments and industry leaders can create a more equitable and sustainable future that benefits people and the planet.

- **Action 1:** Governments must take steps to equitably redistribute the profits of fossil fuel exploitation, and significantly improve the regulation of compensatory methods like carbon credits.
- **Action 2:** Governments must prioritise the welfare of their people over profits and take steps to regulate resource extraction industries effectively. International pressure and activism are essential to ensuring these industries operate sustainably and responsibly without causing harm to the environment or exploiting vulnerable communities.
- **Action 3:** Governments must pursue a strong regulatory framework in order to counter discrimination in the mining sector, while firms should foster a voluntary culture of diversity promotion.

Action 1: Governments must take steps to equitably redistribute the profits of fossil fuel exploitation, and significantly improve the regulation of compensatory methods like carbon credits

As previously outlined, fossil fuel exploitation is an extremely significant source of revenue - especially now in the face of a particularly fraught international energy market. However, the profits from this industry are not equitably distributed, often leading to social, economic, and environmental inequalities. To address this issue, governments must take steps to ensure that profits from fossil fuel exploitation are fairly distributed. Additionally, governments and international institutions must reassess market-based measures like carbon credits which at best offer only a partial solution to environmental destruction and at worst exacerbate global inequality. This policy recommendation outlines the steps that governments can take to address these fundamental inequities.

Firstly, governments should implement windfall taxes on companies that benefit from sudden increases in profits resulting from changes in market conditions or resource prices. Windfall taxes are a form of taxation that seeks to capture excessive profits earned by businesses in the short term.[73] Such taxes are an effective way of capturing profits that are not a result of efficient production or investment.[74] If these taxes are carefully designed - targeting, for example, those companies which choose to make huge stock buybacks and distribute massive dividends as they simultaneously hike prices - it can change the fundamental motivations of fossil fuel companies by redirecting attention to longer term investments in sustainability, while avoiding the amplification of national and global inequality. This policy is backed by the International Monetary Fund, which suggests that governments introduce windfall profit taxes that specifically target economic rents in the energy industry.[75] The think tank Green Alliance has urged the UK to raise levies on oil and gas profits 78 per cent – to match Norway's already successful tax rate on North Sea oil and gas firms.[76] Their analysis suggests that implementing Norway's tax rate would generate an extra £6.6 billion annually until 2027. This amount would account for 17% of the £40 billion fiscal deficit, or the same as the annual budget for policing and fire services.[77]

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[73] International Monetary Fund. "Taxing Windfall Profits in the Energy Sector." IMF Notes, August 30, 2022.

[74] Green Alliance. "Norway-Style Windfall Tax on Fossil Fuel Profits Could Raise £33.3 Billion Extra by 2027." Green Alliance, 2022

[75] International Monetary Fund. August 30, 2022.

[76] Green Alliance. 2022

[77] Green Alliance. 2022

Additionally, governments must also consider implementing price caps on fossil fuels to prevent prices from rising too high, thereby ensuring that profits are not solely made at the expense of consumers. Price caps would ensure that the cost of energy remains affordable for everyone, regardless of income. Though certainly bold, and requiring significant nuance, as well as international cooperation, this step is ultimately essential to prevent price-gouging in the face of global disruption. Additionally, such a policy is far from unprecedented - with the EU having recently agreed on an international price cap for Russian gas[78], demonstrating that multilateral institutions do have the power and will to drive similar practices. This policy would also encourage companies to operate efficiently and reduce costs or invest in more sustainable measures to remain profitable, rather than relying on unsustainably high prices.[79]

Furthermore, to improve the validity of carbon credits, governments should establish an international, central market for carbon credits. Simultaneously, private markets, which have frequently proven ineffective, should be phased out. This registry should be accessible to all stakeholders, including buyers, sellers, and regulatory bodies, and should provide transparency and accountability in the carbon credit market.

This registry would set clear standards for the issuance and trading of carbon credits. These standards should ensure that carbon credits are only issued for verifiable and measurable emissions reductions – preventing the issuance of credits, for example, from doubtful “land protection” schemes which do not guarantee further emissions reductions.[80] Additionally, it should ensure that no human rights are violated in emissions-reduction schemes and thus promote the utmost respect of indigenous land rights. Finally, it must guarantee the credits are not double-counted or used to offset emissions that are already being regulated or reduced by other means.

At the same time, governments should increase oversight and enforcement of carbon credit trading to ensure that all market participants comply with the established standards. An accompanying international body should have the power to conduct audits and investigations and implement significant sanctions against violators. The costs of these practices should be covered by a portion of the revenues from the sale of carbon credits – which McKinsey predicts will return over 50 billion dollars in revenues by 2030 (accounting for the voluntary market only).[81]

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[78] Reuters. "EU countries agree gas price cap to contain energy crisis" Reuters, December 19, 2022.

[79] International Monetary Fund. August 30, 2022

[80] Patrick Greenfield, "Carbon Offsets Used by Major Airlines Based on Flawed System, Warn Experts." The Guardian, May 4, 2021.

[81] McKinsey & Company. "A Blueprint for Scaling Voluntary Carbon Markets to Meet the Climate Challenge." McKinsey & Company, 2021

Action 2: Governments must prioritise the welfare of their people over profits and take steps to regulate resource extraction industries effectively.

Mining corporations and industrialists are responsible for respecting the human rights and well-being of workers, surrounding communities, and the environment in which they operate. In light of the issues posed by lax regulations, especially in but not exclusive to, developing countries— governments, civil society, and international organisations must work together to implement policies ensuring these industries operate sustainably and ethically.

One policy recommendation is the strict implementation of international standards and guidelines for corporate social responsibility (CSR). The United Nations Guiding Principles on Business and Human Rights (UNGP) provides a framework for businesses to respect and prevent human rights abuses. Governments can adopt and enforce these standards, making them mandatory for companies operating in their country.[82] International organisations such as the International Labour Organisation (ILO) and the Organisation for Economic Co-operation and Development (OECD) can also provide guidance on best practices for CSR and monitor the implementation of these standards.[83]

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[82] Anthony J. Bebbington and Jeffrey T. Bury, "Institutional Challenges for Mining and Sustainability in Peru," Proceedings of the National Academy of Sciences 106, no. 41 (2009): pp. 17296-17301, https://doi.org/10.1073/pnas.0906057106.

[83]"United Nations Guiding Principles on Business and Human Rights," Wikipedia (Wikimedia Foundation, July 19, 2022), https://en.wikipedia.org/wiki/United_Nations_Guiding_Principles_on_Business_and_Human_Rights.

Moreover, governments can incentivise mining corporations and industrialists to operate sustainably and ethically by providing tax breaks, subsidies, or preferential treatment to companies that have demonstrated a commitment to CSR.[84] This can encourage companies to invest in responsible practices and technologies that reduce the negative impacts of their operations.[85]

Another policy recommendation is to strengthen the capacity of local governments to enforce regulations and hold mining corporations and industrialists accountable. This can be achieved by providing training and resources to government officials and civil society organisations to monitor and report on these industries' environmental, social, and economic impacts[86], such as building technical expertise and providing resources for monitoring and enforcement. Governments can also establish regulatory bodies that are independent, transparent, and accountable, ensuring that regulations are enforced and that mining and other extractive companies are held accountable for their actions.[87]

Finally, governments, civil society, and international organisations can collaborate to increase transparency and accountability in the mining and industrial sectors. This can be achieved by promoting the disclosure of information on these industries' social, economic, and environmental impacts.[88] Governments can also encourage companies to report on their CSR practices and establish mechanisms for stakeholders to provide feedback on these practices. International organisations can facilitate dialogue and cooperation between stakeholders to address the challenges posed by these industries.[89]

In conclusion, exploitation of developing countries by large mining corporations and industrialists through lax regulations poses significant human rights, social justice, and environmental sustainability challenges. To address these challenges, governments, civil society, and international organisations can implement policies that promote CSR, strengthen regulatory capacity, diversify economies, incentivise responsible practices,

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[84] Fabiana Perez and Luis E. Sanchez, "Assessing the Evolution of Sustainability Reporting in the Mining Sector," *Environmental Management* 43, no. 6 (2009): pp. 949-961, https://doi.org/10.1007/s00267-008-9269-1.

[85] European Commission, "Sustainability Reporting in the Mining Sector" (Brussels: European Commission, 2020).
Sustainability Reporting in the Mining Sector - europa.eueuropa.euhttps://europa.eu › file › download

[86] Raina M. Maier et al., "Socially Responsible Mining: The Relationship between Mining and Poverty, Human Health and the Environment," Reviews on Environmental Health 29, no. 1-2 (January 2014), https://doi.org/10.1515/reveh-2014-0022.

[87] United Nations Development Programme. "Breaking the Link between Natural Resources and Conflict: The Role of Transparency and Accountability." 2017.
http://www.undp.org/content/dam/undp/library/Poverty%20Reduction/Inclusive%20development/Breaking-the-Link-between-Natural-Resources-and-Conflict-The-Role-of-Transparency-and-Accountability.pdf

[88] Gavin Hilson and Roy Maconachie, "'Good Governance' and the Extractive Industries in SUB-SAHARAN Africa," *Mineral Processing and Extractive Metallurgy Review* 30, no. 1 (2008): pp. 52-100, https://doi.org/10.1080/08827500802045511.

[89] "Democratic Republic of the Congo: Time to Recharge: Corporate Action and Inaction to Tackle Abuses in the Cobalt Supply Chain," Amnesty International, June 1, 2021, https://www.amnesty.org/en/documents/afr62/7395/2017/en/.

and increase transparency and accountability. These policies can ensure that these industries operate sustainably and ethically, promoting well-being and environmental sustainability.

Action 3: Governments must pursue a strong regulatory framework in order to counter discrimination in the mining sector, while firms should foster a voluntary culture of diversity promotion.

To address the critical lack of diversity in the mining sector, governments should pursue a regulatory framework that promotes and enforces diversity, equity, and inclusion (DEI) initiatives. This framework should aim to increase the representation of women, racial and ethnic minorities, and other underrepresented groups in mining-related jobs and leadership positions.

For example, Governments should require mining companies to implement DEI programs that set targets for diversity in hiring and promotions, provide training and

support for underrepresented groups, and establish accountability mechanisms to ensure progress. This has significant precedent; in Canada, for instance, the Mining Industry Human Resources Council (MiHR) has developed a national diversity and inclusion program that provides support for mining companies to enhance their DEI efforts.[90]

Governments must also use their purchasing power to incentivize mining companies to hire and promote a diverse workforce. To give an example of a successful existing program, the U.S. federal government requires companies that contract with the government to have affirmative action plans that address diversity in hiring and promotion.[91]

Governments can also address a lack of training opportunities by rewarding companies which target outreach towards underrepresented groups - for example, in Australia, the Employment Parity Initiative provides funding to mining companies that hire and train Indigenous Australians.[92]

However, it is also clear a regulatory framework – though helpful – is not a catch-all solution to a lack of diversity. Indeed, it appears clear that those countries with the best outcomes for underrepresented groups also feature a voluntary culture from firms of diversity promotion.[93]

Consequently, our policy recommendation to individual mining firms is the establishment of committees specifically focused on diversity and inclusion in the workplace.

These committees should include members from different backgrounds and levels within the organisation, and be responsible for developing and implementing diversity and inclusion initiatives, policies, and programs. Additionally, companies must provide regular diversity and inclusion training to all employees, including senior management and board members. The training should focus on raising awareness about unconscious biases, promoting inclusive behaviours, and providing resources and support for underrepresented groups.

Furthermore, mining firms should set internal targets and metrics for diversity and inclusion at all levels of the organisation, including board composition, executive leadership, and workforce diversity. These targets should be transparent, measurable, and communicated regularly to all employees.

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[90] MIHR. "Gender Equity in Mining Works" MIHR, September 2022

[91] Affirmative Action," U.S. Department of Labor, accessed March 7, 2023, https://www.dol.gov/general/topic/hiring/affirmativeact.

[92] Employment Parity Initiative," National Indigenous Australians Agency, accessed March 7, 2023, https://www.niaa.gov.au/indigenous-affairs/employment/employment-parity-initiative.

[93]Diversity in Global Mining: Where We Are and What We Need to Do," AIB Insights, accessed March 7, 2023

Finally, companies must foster an inclusive culture by promoting open communication, encouraging employee feedback, and creating opportunities for diverse perspectives to be heard and valued. This can include establishing employee resource groups, providing mentorship and sponsorship programs, and promoting diversity in recruiting and hiring practices.

Overall, a regulatory framework that prioritises diversity, equity, and inclusion, coupled with a voluntary culture of diversity and inclusion can effectively help to address the dearth of diversity in the mining sector, promote social and economic benefits for underrepresented groups, and enhance the overall performance and sustainability of the industry.

Conclusion:

In conclusion, targeted policies to address the negative impacts of mining and fossil fuel extraction on the environment, society, and the economy are critical. Key steps, such as the implementation of windfall taxes on fossil fuels, enforcing international standards for corporate social responsibility, and incentivising sustainable, ethical and inclusive practices, show significant potential in addressing current injustices in the extractive sector.

As a result, these policies, though often ambitious, promise to go a long way to improving inclusivity and accountability in a sector historically plagued with inequity and exploitation. While mining as an activity may always risk pollution and environmental destruction, it is clear we can and must work to mitigate the negative externalities that result from this process. Consequently, for the many governments and organisations seeking to reevaluate current norms where they are harmful, these recommendations now offer a credible plan to tackle the injustices of environmental exploitation.