

# **Economic Growth, Resource Development, Land and Human Rights**

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*Massive investments in extractive industries and agribusiness are leading to resource grabbing and growing inequalities. But at a time when the dominant economic development model and its negative impacts would require critical debates, civil society space is shrinking and dissent voices are being silenced. Never before has it been more necessary to protect the environment and resources rights of communities. And never before has it been so dangerous.*

## ***Development and Human Rights***

A people-centred development requires that the peoples are involved in defining their development model. Development starts by giving a voice to the voiceless and authentic choices to the powerless.

This cannot happen where people do not enjoy basic human rights such as access to information, freedom of speech, freedom of association, and peaceful assembly. In countries ruled by authoritarian regimes or suffering from democratic deficit, restrictions of basic rights not only defeat a state's claims that its development agenda truly accommodate people's aspirations, but they also serve the interests of powerful actors who are imposing projects detrimental to local communities and indigenous peoples. There is a strong power asymmetry between communities and companies usually supported by local authorities. Communities are caught up in the system with little recourse. One reason is that authorities outside the system are often brought into the system by being paid by the company—officially to be part of coordination teams in charge of solving problems. Meaning instead of balancing the various interests and ensuring proper law enforcement, local authorities tend to act in favor of the company.

In Laos, FPIC—free, prior and informed consent—means a joint government and corporate-led consensus building for a business, not a process in which communities have the right to give or withhold their consent. In Indonesia, a clear opposition expressed by consulted communities usually does not result to the abandonment of the project, but leads to more “socialization” or a matter of time, not an option. The large-scale plantation model is resulting in the establishment of local state-protected monopolies. Public force can easily be mobilized and favourable political decisions made. Repression is taken advantage of by a wide range of development actors.

## ***Land Tenure Insecurity and the Cost of Resource Development***

There is a significant gap between land controlled in practice by indigenous peoples and local communities, and the recognition of their rights by countries. Many indigenous peoples and local communities depend on the land and natural resources they use or manage collectively for their livelihood.<sup>1</sup> States have a responsibility in securing communities' rights to their land and natural resources, recognizing the collective nature of community-based tenure rights system. However, while communities protect

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<sup>1</sup> See LandMarkMap on lands collectively held & used by indigenous and local communities <http://bit.ly/landmarkmap>

more than 50% of the world's land, they are officially recognized for only 10% of their territory. This leaves one-third of the world's population vulnerable to dispossession by more powerful actors.<sup>2</sup> This gap constitutes the main cause of conflict, as most of the land occupied and managed by indigenous peoples and local communities is claimed by the government or private entities. One study conducted in eight tropical forest countries found that 93 percent of the nearly 73,000 concessions granted to corporations in mining, oil and gas, logging, and agriculture were on land being used by communities.<sup>3</sup>

In many countries, land is considered state land unless it is titled, a colonial legacy that has created historical injustice. Ignoring informal and customary tenure rights comes at a high cost for corporate sector, communities and the state. For companies, it ranges from increased operating costs up to 29 times to abandonment of the project<sup>4</sup>. But conflict also have a cost for communities: in Indonesia affected families pay on average IDR 3.5 million every month to cover for their needs of food (loss of land and forest), water (contamination), health (loss of traditional medicines), according to research by IBCSD and Karsa<sup>5</sup>. However over 90% of the conflicts are not about money. Meaning that money is not the solution.

Over 70% of tropical deforestation occurring between 2000 and 2012 is due to the expansion of commercial plantations, and 49 percent of it constitute illegal clearing<sup>6</sup>. Lack of respect for basic human rights hampers public scrutiny, and enables corruption, collusion of interests, illegality in business and impunity for perpetrators of abuses. Meanwhile, in forests managed by indigenous peoples, there is a much lower rate of deforestation and greater carbon storage than in other forests. The rate of deforestation in community-managed forests in the Brazilian Amazon is 11 times lower than in forests outside their territory<sup>7</sup>. Meaning that securing land rights is also key in addressing deforestation and climate crisis.

But those resisting resources-based investments are labeled as “anti-development” and can be treated as “enemies of the State”. In 2017, 207 environmental defenders have been killed,<sup>8</sup> an average of four persons a week. Where companies have the support of people in power, where they benefit from favorable legal framework, legal loopholes, enforcement gaps or biased judicial systems, perpetrators are not held accountable, even in case of serious HR violations. Legal action for defamation or calumny might be taken against civil society organizations denouncing HR abuses, an effective way to curtail their work and burden them with litigation costs many cannot afford. While civil society promotes economic and social justice, its role in the context of natural resource exploitation is often denied by both States and businesses. Maina Kiai, former UN SR on freedom of association and peaceful assembly reported that *“this is symptomatic of a*

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<sup>2</sup> *Who Owns the World's Land*, RRI <https://rightsandresources.org/en/publication/whoownsthe-land/#.W-YLPi2ZPMI>

<sup>3</sup> *Communities as Counterparties*, RRI [https://rightsandresources.org/wp-content/uploads/Communities-as-Counterparties-FINAL\\_Oct-21.pdf](https://rightsandresources.org/wp-content/uploads/Communities-as-Counterparties-FINAL_Oct-21.pdf)

<sup>4</sup> *The Financial Risks of Insecure Land Tenures*, [http://rightsandresources.org/wp-content/uploads/2014/01/doc\\_5715.pdf](http://rightsandresources.org/wp-content/uploads/2014/01/doc_5715.pdf)

<sup>5</sup> *Biaya Konflik Tanah dan SDA*, [http://conflictresolutionunit.id/uploads/resources/CRU\\_BiayaKonflik\\_Laporan.pdf](http://conflictresolutionunit.id/uploads/resources/CRU_BiayaKonflik_Laporan.pdf)

<sup>6</sup> *Consumer Goods and Deforestation*, <https://www.forest-trends.org/publications/consumer-goods-and-deforestation/>

<sup>7</sup> *Securing Rights, Combating Climate Change*, <https://www.wri.org/publication/securing-rights-combating-climate-change>

<sup>8</sup> <https://www.theguardian.com/environment/ng-interactive/2017/jul/13/the-defenders-tracker>

*growing disregard for a plurality of views, particularly those which champion non-economic values over economic ones.”*

### ***Realizing Rights for an Alternative Development***

A primary focus on economic development is often justified with the argument it will trigger broader development. But natural resource concessions cannot be considered economic development when they fail to account for the economic rights of local inhabitants. There are options for production models under more democratic control, more profitable to local farmers and more environmentally friendly, where industries would concentrate more on the processing stage and procure commodities grown on land owned and managed by communities.

Community-based enterprises and smallholders' land-secured farming not only contribute to development by creating jobs, enabling local investments, but they keep communities on their land and preserve a healthy environment. When displacing villages, creating food unsecured rural communities, polluting water and soils, destroying forests, and contributing to instability through growing disenfranchised population, industrial extractive models create burden on State budget.

But for alternative development models to emerge, it requires a safe environment where people enjoy basic human rights. In this respect, securing the rights of indigenous peoples and local communities to their land and natural resources, gives them a voice, a role and a share in the prosperity generated by a jointly decided development.