

## Intergenerational equity, mining and Goa Foundation

The deadline for feedback on the draft national mineral policy is 9 February. The industry will likely respond robustly, arguing for more freedom for acquisition and leases, and over environmental clearance, among other matters. Equally, among the most aggressive inputs will be from Goa Foundation, which advocates the idea of intergenerational equity and shared wealth, quite the other end of the spectrum.

The principle of intergenerational equity assumes that natural resources are a commons in which the stake of future generations must be secured. Indeed, the draft policy acknowledges it. “There is a need to understand that natural resources, including minerals, are a shared inheritance where the state is the trustee on behalf of the people to ensure that future generations receive the benefit of inheritance,” the draft policy states. It adds: “State governments will endeavour to ensure that the full value of the extracted minerals is received by the State.” The draft policy suggests that on account of varying levels of reserves, each mineral be treated differently but with the same underlying principle.

It wouldn't be an exaggeration to say that Goa Foundation's relentless pursuit of intergenerational equity, and that of a collaborative initiative it spearheads, Goenchi Mati (literally, Goan Earth) Movement has escalated matters. It's an if-you-can't-beat-them-reform-them effort aimed at transforming how Goa, and, by extension, India, views mineral wealth.

From an initiative that employed exaggeration, esoteric concepts and occasionally suspect math to grab attention, over the past two years Goenchi Mati has evolved into a tighter, clearer, better argued and better communicated effort. It argues for fair mining that extracts the value of a resource to the fullest. That naturally comes after respecting free, prior and informed consent of communities where a project is located, and following the strictest practicable environmental norms. Goenchi Mati advocates what it terms “full economic rent (sale price minus cost of extraction, cost including reasonable profit for miner).” The socialist-minded effort also called for a “permanent fund”, on the lines of what is, say, practised by Nordic countries with oil wealth: placing a percentage of such revenue in public trust for use of citizens' welfare. Goenchi Mati suggests the national pension scheme manage such funds in India, and income be distributed as a “Citizen's Dividend”.

The matter is now getting officially noticed for its ideals more than precise applications, as evidenced in the draft mineral policy. Even the Economic Survey for 2015-16 acknowledges as precedence a Supreme Court judgement based on a 2012 writ petition by Goa Foundation, which specifically mentioned intergenerational equity and sustainable development, a cap on mining in Goa, and the creation of a “Goan Iron Ore Permanent Fund”.

The not-for-profit foundation has for several decades advocated pro-people attitudes and policies. Over the past decade it has gained both respect and notoriety—depending on your point of view—for taking on Goa's mining lobbies, documenting major illegalities and corruption in the sector, escalating matters to the National Green Tribunal and Supreme Court. And, in the process contributing to the scrutinizing wrath of the justice M.B. Shah Commission on illegal mining of iron ore and manganese in India.

That last led to the freezing by the Goa government in 2012 of nearly a hundred mining operations, including those of heavyweights Sesa Sterlite, and major family-run businesses like V.M. Salgaocar and Bros. Pvt. Ltd, Sociedade De Fomento Industries Pvt. Ltd of the Timblo family, Chowgule and Co. Pvt. Ltd, and firms controlled by other politically prominent families like Kakodkar, Alemao, Tarcar and Sinai.

They variously stood accused by the Shah Commission's report of illegalities of one kind or another, from those of simple procedure and intolerable pollution to outright encroachment and illegal extraction of ore. The Shah Commission placed the quantum of illegal mining between 2006 and 2011 at Rs35,000 crore, or over \$6 billion at the time, the years of Congress rule.

The state government lifted the ban on mining in 2015, when a Bharatiya Janata Party (BJP)-led government was in office. The activity has since rapidly gathered pace in Goa and elsewhere, pushed along by pro-mining policies of the BJP-led central government, including a 2015 executive order that fast-tracked renewal of old leases and auctioning for new ones.

This pressure remains. The Supreme Court issued an order in August 2017—citing legislation like the Mines and Minerals (Development and Regulation) Act and Environment Impact Assessment notifications—that directed miners who carried on without various environmental clearances to be fined the entire value of minerals extracted. This has expectedly raised the hackles of mining-dependant states. *The Indian Express* in a recent article highlighted how in mid-January this year ministers and officials of 16 “mineral rich states” led by those from Andhra Pradesh, Telangana and Karnataka petitioned the Union mines minister Narendra Singh Tomar as to the harshness of the order, during a conclave in Goa. The battle is joined.

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