# Understanding the ambiguity of paternalism and paradox of hierarchical partnership:

A study on Acupan small-scale miners and Benguet Mining Corporation in Itogon, Benguet, Philippines

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#### **ACKNOWLEDGEMENT**

# My deepest gratitude

To mama and daddy,

for your undying support, even at times when I probably no longer deserve it (You guys are the best!)

To Dax, Ella and Jing,

We may not really know each other but we know enough to support each other in desperate times.

To the rest of my family, friends, and acquaintances who in one way or another have helped me get through this in more ways than they probably intended

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#### **CHAPTER ONE**

Setting the scene: rationale, questions, and structure of the study

## <u>Introduction</u>

Growing up in a mining community, and living within Benguet Corporation's premises, makes it harder to reconcile the sentiment that mining and mining companies are bad and should be stopped. Seeing the mountains stripped, rivers get filled with mine waste and eventually run dry, seems to point that mining indeed is environmentally destructive. It is not sustainable, no matter how its possibility is strongly argued (see Mining, Minerals and Sustainable Development Project, IIED 2002). But I know that no matter how dangerous and unpredictable mining is, many will be affected from having lost their main source of livelihood if mining is discontinued.

Witnessing how Benguet Corporation relocates people from their premises so it can mine these areas and experiencing and observing the sadness as people say their goodbyes to long-time friends and colleagues, a mining company (probably like most corporations) can indeed be pragmatically heartless. However, when Benguet Corporation suffered due to the downhill trend of gold in the world market in the early 1990s, I saw how employees sympathised with them not only due to the obvious concerns of losing a job but also for sentimental reasons. Like many people, Benguet Corporation has been part of my childhood and for some, it even includes most of their adult lives such that many still reminisce during the Corporation's heyday. The good memories that come with remembering the past trigger sympathies for Benguet Corporation despite some disapproval of its operations the people is currently experiencing.

When I arrived in May 2014 to start my three-month fieldwork, communities that live along the areas of the Benguet Corporation were having a demonstration. People were complaining about the rehabilitation of two tailings ponds<sup>1</sup> that could potentially cause a mine spill when left unattended. The demonstration involves two main groups referred to

<sup>&</sup>lt;sup>1</sup> The technical term is tailings storage facility but opted to use tailings ponds as the mine-contractors and mine-workers refer to it as such.

as upper stream and lower stream.<sup>1</sup> People from the upper stream are demanding reimbursement for their own improvements on the tailings pond in their area while people from the lower stream are calling for the company to immediately build a diversion tunnel and spillway of the tailings pond from the upper stream. Many of the mine-contractors, including most of the people in the community, strongly believe the issue was resolved with Benguet Corporation agreeing to the demands of both groups, i.e. giving money to the right people involved in the demonstration.<sup>2</sup>

Some people from both areas and other nearby communities were not sympathetic with the demonstration. They think the activity was just a nuisance putting unnecessary spotlight to the community in a bad way. For them, the demonstration and the media attention were pointless. They reasoned that the people involved in the demonstration could just have gone straight to the management of Benguet Corporation and talked to them about their issues. According to these sceptics, they cannot help but think that the strategy of putting spotlight on the issue and getting the local media involved entails a hidden agenda, especially because the people are aware that the Benguet Corporation management can be approached easily. Simply put, more people from the communities believe that the organisers of the demonstration just want to milk the corporation for money.

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<sup>&</sup>lt;sup>1</sup> The labels of upper stream and lower stream are given based on their geographical location. Their claims are different depending on the location of the tailings ponds. There are two different tailings ponds but both are connected by a single spill way. The issues raised are similar insofar as both are demanding improvements on the infrastructures.

<sup>&</sup>lt;sup>2</sup> I managed to get comments from Benguet Corporation on my draft. Ryan James Solano, legal manager of Benguet Corporation's district operations, pointed out their side of the story on this incident. He said they have a Memorandum of Agreement (MOA) between the communities regarding this matter. The MOA "states that in case of a contingency, there would arise a legal liability on the part of the company for the payment of the assessed value of the properties situated near tailings ponds." It means, should the company pay, the payment will serve as "reimbursements in case tailings storage facility (i.e. the Tailings Pond 2) fails for all assessed properties which would likely be affected in case of a tailings pond incident/failure."). He then claimed that no payment was made as the tailings ponds at that moment was still working. He explained further that some, if not most, have been misled in the idea that the property assessment was meant for a preparation for property payments (see Appendix 1).

Moreover, in a different correspondence, I asked how they convinced the people to stop their demonstration. Mr. Solano claimed "the people agreed to commitments made by way of MOA that instead of demonstrations, they chose to discuss issues by way of a conference being spearheaded by National Commission on Indigenous Peoples (NCIP).\*" (conversation dated 16 January 2015)

<sup>\*</sup>NCIP is the primary government agency that formulates and implements policies, plans and programs for the recognition, promotion and protection of the rights and well-being of indigenous peoples, particularly on issues of ancestral domains and lands, self-governance and empowerment, social justice and human rights, and cultural integrity (<a href="http://www.ncip.gov.ph/">http://www.ncip.gov.ph/</a>).

Although I agree that the demands of rehabilitating the tailings ponds are clearly warranted, I could not help considering the point of view of the sceptics. The situation made me reassess my assumptions and stressed that the perceptions on mining and relations between the community and Benguet Corporation is complex and ambiguous. Thus, attempting to elucidate such blurry and even rarely examined interdependency between community and mining companies and the relations of power that exist in their relationship is valuable for mining literature (and for the reconciliation of my own puzzlement).

Such contradicting relationships, sentiments and decisions are the focus of my study. It explores the 'grey' areas where dichotomous views of pro- versus anti-mining; marginalised and/or indigenous peoples versus dominant mining company; good versus bad; and/or powerful versus powerless seemed misplaced if not unable to capture the ambivalent and multifaceted aspects of a mining company and a community. It does not completely rule out these dichotomous views. It only offers a different lens in mining studies.

My study is specifically focused on the nature of 'partnership¹,' of the local miners and Benguet Corporation within the Acupan Contractor's Mining Project (ACMP), a partnership that is initiated by the local miners of Acupan to work for/with Benguet Corporation. My study is centred on exploring the lenient relationship and blurred hierarchal structure of the partnership between miners, miner-contactors, Benguet Corporation and the Mining Geosciences Bureau (MGB). It looks into the politics of partnership and notion of flexible horizontal and vertical (in)equality that exists within this partnership. Similar to the ambivalent impression I had with the demonstration, the relationship that exists between the actors in ACMP are complex and ambiguous. It has certainly made me (re)assess my initial assumptions for I expected to observe tensions between the actors involved. What I found instead was a relationship that is a bit relaxed and not as tension-laden as what I had in mind.

My expectations were built from the stories I have heard about how the mine-contractors were being treated unfairly by Benguet Corporation in the partnership scheme both parties

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<sup>&</sup>lt;sup>1</sup> Partnership is expected to be collaboration between actors that have similar goals and equal stakes. But my study challenges this notion as my case study presents complex collaborative relations.

have agreed into. Although I am aware that outright conflict or direct confrontation is not the mode of interaction within their partnership; I expected there would be, at least, a more defined position and sentiment among the mine-contractors wanting Benguet Corporation out of the picture, enabling them to mine on their own. While there are possible legal tools that they could use to push for this, it does not mean to say however, that carrying this out would be easy.

The material presented in this study is based on the perceptions and narratives gathered through interviews and informal conversations with miners, former and current staff of Benguet Corporation, government employees, and other locals from the community. I attended formal gatherings of mine-contractors and their meetings with Benguet Corporation. I also went inside the tunnels to see and understand the process of mining—from gathering ores to the 'cooking' process. In addition, the ethnographic observations presented here are supplemented with document analysis of the legal agreements and frameworks that involves the relations of the different actors I am focusing on.

Trying to unravel the partnership within the ACMP also required me to understand the relationship of the Benguet Corporation to the community in general. I argue that the general perception of the community to Benguet Corporation is very much related to how the oxymoron hierarchically equal best describes the partnership in ACMP.

The hierarchical relationship of the miner-workers and mine-contractors is not clearly defined. It is fluid in a sense that the mine-contractors do not have absolute control over their miners, and their relationship is also quite lenient. When I asked a contractor what usually happens when they hear that miners sneak gold from them, I got a matter-of-factly reply "Well, that's just what it is. That's gold. Such evil thoughts/actions cannot be avoided." Such response is common to all contractors. Even mine-workers say they know of some co-miners who do it but are not directly reprimanded.

Puzzled with the nonchalance of something conspicuously illegal, I asked contractors what they do when they learn or hear that one or some of their miners might have stolen from them. Again, I received a matter-of-factly reply and even this time with a chuckle probably

mocking me for my naiveté. They just said, "It's hard to actually catch them on the act. You can only give warning... talk to them." "You can take them to the police if you can identify who actually did it and catch them red-handed. But the tunnel is so big catching them is a wild-goose chase."

Further, mine-workers can drop out of work and/or transfer from a different mine-contractor easily and the mine-contractors cannot and do not stop them from doing these. I press mine-contractors to explain this to me for I find it interesting because it is unusual for employers to have no control over their employees, especially if the behaviour of the employees disrupts the work. But I only get a nonchalant reply, "Well, you cannot tie them and force them to stay now can you?"

I relate the lenient relationship between Benguet Corporation and mine-contractor in trying to understand the similarly ambiguous relationship of the mine-contractors and mineworkers. In both cases, I turn to the concept of paternalism<sup>1</sup>. But for the former, I relate history and memory to paternalism.

When I first went inside the tunnel accompanied by a safety personnel of Benguet Corporation, we met miners who were almost naked (wearing only shorts) except for the crucial hard hat. Imagining how inherently dangerous their work is, I inquired with the safety personnel if the preferred clothes of these miners were too bare for their work. He said they really should be wearing standard clothes like the overall suit he was wearing. He pointed out that they can only give the mine-workers verbal warnings. In a disappointed tone, he said, "They are stubborn. They do what they like." However, he said he understands why they prefer to dress that way. He explained that it gets warmer as you go inside the main tunnel and even more so when you actually enter the mine holes. Furthermore, as we were walking the main tunnel, an empty cart used for transporting ores

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<sup>&</sup>lt;sup>1</sup> My take on paternalism is that it involves sets of actors that are in an imbalanced power relationship. The position of the actors is defined through access and control of resources. The actors depend on each other but the difference in position makes their relationship not straightforwardly equal symbiosis. The more dominant actor provides for the minor actor because s/he needs the minor actor for her/his particular purpose. Correspondingly, the minor actor submits to the dominance because s/he gets something from it. The nuance between the dynamic in the interactions of the actors that revolve around dominance/subservience/resistance is why I turn to paternalism in attempting to unravel the power relations involved between Benguet Corporation, mine-contractors and mine-workers.

was coming in from outside. Mine-workers were inside the cart, which I learned, is forbidden for safety reasons. The safety personal sighed and cried for them to get down. He looked at me to gesture if I see what he means about the mine-workers being stubborn.

Surprised with the leniency of Benguet Corporation management, I asked how mine-workers were warned or if there were any specific sanctions should miner insist on exposing more skin than what is safe. He said it is his job to note it down and report it to the person in-charge within the Corporation then the mine-contractors of the miner-workers involved are given a memo. The contractors in turn are expected to notify their miner-workers. While there were not any clear sanctions, it has, however, implications with the safety assessment, which is part of the monthly performance assessment of the contractors. The monthly assessment is one of the major bases for renewing contracts in ACMP.

The realities I observed and learned on-the-ground challenged my one-dimensional and naïve assumptions. They fail to explain the complexity of the relationships involved in the different actors. My study generally aims to elucidate these complexities. As the complexities come in different levels, I studied the relationship in scalar approach without neglecting the interrelations of each scale (Haarstand and Floysand 2007)<sup>1</sup>. The scales I identified in my study are between the community and Benguet Corporation, then between the mine-contractors and Benguet Corporation, and finally, between the mine-workers and mine-contractors. Each scale is analysed first in isolation before exploring and examining their interrelations with each other.

The power relations between Benguet Corporation and the community is framed under corporate paternalism (Goodell, et al. 1985) while interrelating it to the influence of history and memory (Cooper 2005; Innes 2012). Within this scale, the modalities of power that affects the ambiguous relations and perceptions of the community to Benguet Corporation

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<sup>&</sup>lt;sup>1</sup> In their article, *Globalisation and the power of rescaled narratives: A case of opposition to mining in Tambogrande, Peru,* Haarstad and Floysand (2007:289) posit that the theoretical debate on politics of scale opens the way to investigate the reconfiguration of scalar organisation in capitalism, which has complex and contradictory effects on power relations. They criticised the bipolar polemic on globalisation where the struggles, negotiations and claims in local, national and international scales are disregarded. Their case study illustrates how globalisation opens arenas for *opposition* narratives in rescaled manner. It demonstrates globalisation as a redistribution of potential for empowerment.

are traced from its historicity, which can be traced back to the American colonisation of the Philippines. It presents how the factor of memory (i.e. of remembering/forgetting and imagination) influences the current ambiguity and complex relations of the community to Benguet Corporation. Correspondingly, the analysis on this scale is discursively juxtaposed to the scalar dynamism within the ACMP.

Unlike Haarstand and Floysand (2007), however, the understanding of scalar context here is not so much about the empowerment of actors and the modification of different social movement approaches and strategies as the scales, i.e. local, national, and international, for assertion of claims widen in terms of scope and intensity. In my study, the scales identified remain local in the sense that it is focused within the ACMP 'partnership' and within the locality, as the relations and perception of the community towards Benguet Corporation is studied in concatenation to the ACMP's cultural and structural (trans)formations. The scalar dynamism studied here is not only the various arenas of encounters where each actor asserts and/or negotiates their claims within the 'partnership' but also between the community and Benguet Corporation.

The actors within the ACMP, though connected and move within the partnership are somehow disconnected as not all them has the opportunity or need to interact with each other. The (dis)connections, however, do not mean that the actions of one will not affect the others. The scales of power relations reviewed are between the mine-workers, mine-workers and mine-contractors and between mine-contractors and Benguet Corporation and MGB. The mine-workers mostly deal and negotiate with the contractors as the partnership agreement entails no employee-employer relationship between the contractors and Benguet Corporation, and that the mine-workers are solely under the responsibility of the mine-contractors. Pointing out that there are opportunities for negotiation within a 'partnership' that is supposedly bounded on the legal guidelines of their agreement reiterates the fluidity of the relations of ACMP.

In addition, the hierarchical position of the mine-workers and mine-contractors is fluid. Although the mine-contractors get to keep the role of being the employer, seen in the employee-employer context, they are not always the provider of financial needs of the

mine-workers. The roles of some mine-workers change in instances when they finance their own work despite being the worker/employee of the mine-contractors. Some mine-workers have saved enough and/or team up with their co-mine-workers allowing them to have the means to fund their own work and not depend on their mine-contractor's capital. At other times, mine-contractors who are short on funds borrow from their mine-workers or offer some parts of the Contract Area for their mine-workers to work on. Although the contractors still get a share for 'owning' the area, the situation makes them dependent with their mine-workers thereby blurring the hierarchy between them. It is important to point out, however, that not all mine-workers can blur the employee-employer relationship.

## Organisation of the study

Chapter Two represents an effort to explain the ambiguous perceptions of the community to Benguet Corporation by drawing on concepts of history and memory, which I anchored in general discourse of postcolonialism (Vijay 2005; Innes 2012). It is devoted to tracing the memories of Benguet Corporation's paternalism, which, in their current financial state, is no longer able to perform, in relation to its current relations to the community. The memories considered here are drawn from the mine-contractors, former and current employees of Benguet Corporation and long-time residents of the community. Chapter Two gives an overview of the history of mining in Cordillera and ties to the beginnings of Benguet Corporation. It sets the ground for going deeper into the relaxed relationship within the ACMP.

Chapter Two addresses the following questions: What are the possible factors that could have influenced the ambiguous relations and perceptions of the community towards Benguet Corporation? How is it related to the fluidity of the hierarchical relations within the ACMP?

The general perception of the community to mining and Benguet Corporation is related to the discussion of Chapter Three regarding the relationships of the actors in ACMP. **Chapter Three** introduces the actors and/or sectors involved and their expected roles. These expected roles are juxtaposed with the observations made during fieldwork. The roles

points to the disconnections and connection of relationships illuminating the scales and levels of power within structure of ACMP.

In relation to the Chapter Two's discussion on corporate paternalism, Chapter Three expounds on the mine-contractors' assertion of equality in the partnership in comparison to the hierarchy between them and Benguet Corporation. Further, it presents the notions of hierarchy between the mine-contractor and mine-worker that is traced from the paternalistic relations that also exist between them. The chapter attempts to unravel the notions of equality in the partnership and the paradox of hierarchy. The questions expounded in this chapter are: "Why the sharing scheme in ACMP remains to be more advantageous for Benguet Corporation despite the larger share of mine-contractors and mine-workers?" and "Why is the hierarchic structure between the mine-contractors and mine-workers remains to persist despite the structure being fluid?

Chapter Four is devoted to understanding the actions of the actors and power relations within ACMP. The cultural and structural configurations are unravelled through further analysis of the scales of power relations, and the interrelations of these scales, within the 'partnership.' It presents an attempt to understand the strategies of actors to assert their demands and claims, which are exemplified by tolerance to outright illegal acts of pilfering of gold and non-compliance of safety policies, and other rogue behaviour such as desertion, foot dragging etc. Unlike Scott's (1985) everyday forms of resistance, however, these rogue behaviours cannot be counted as resistance as the hierarchy between the actors are not fixed making resistance per se unnecessary.

Moreover, this chapter is devoted on analysing the assertion or negotiation that cannot be regarded as outright rogue behaviours. Instead I refer to them as subtle gestures of "covert buying-off," which is more common to contractors. It is commonly exemplified by giving gifts to the 'right' people or representatives of the Corporation. These subtle gestures blur the boundaries of the 'partnership' as it reiterates a fluidity of the relationship. The contract appears to be constantly negotiable when it is supposedly legally-bounded and agreed upon by all parties.

The fluidity in ACMP's hierarchy transgresses the common domination/resistance dialectic. Each of the actors can move about the realm of subordination and resistance. In this chapter, I attempt to understand the actions of the actors and turn to practice theory to make sense of the motives and intentions of the actors. I particularly made use of Ortner's (2006) *update practice theory* as expounded in her *Anthropology and Social Theory: Culture, Power and the Acting Subject.* 

Chapter Four addresses the question: "How does each actor at different levels of the structure negotiate their demands and desires to gain more from being part of ACMP?

**Chapter Five** concludes the study and attempts to review the main discussions of each chapter. It links them all together and creates a coherent whole addressing the main problem of explaining the oxymoron hierarchically equal relationship of a community, particularly local small scale miners, to a large scale mining corporation.

#### **CHAPTER TWO**

Tracing links between the past, spaces, and relationships: territories and narratives of Benguet Corporation and the Cordillera region

Kaya ba nating paglabanan Ang sumpa ng kasaysayan [translation: can we break free from the curse of history]

"Naroon" **Dong Abay** 

Mining in the Cordillera region: an overview

Mining in the Cordillera Administrative Region, particularly in Benguet province, is inextricably interwoven into the people's culture. Evidence of mining activities in Benguet goes back to pre-colonial times. Mining and trading of gold and copper formed the foundations of Benguet (Bagamaspad and Pawid-Hamada 1989:67).

During Spanish colonisation, the yellow metal was first observed being used for trading with the people from the lowlands near to that what is now Benguet province. The Spaniards, however, did not start their expeditions to capture the gold sources of the Igorots until after a century of occupying the Philippines. They believed gold to be the entry point to Christianize and 'civilise' the Igorots, aside from its economic lure (de Jesus 1978:3). But after three failed expeditions, the gold remained under the Igorots' control for the next three centuries of Spanish rule.

Gold has been part of the people's folklore and beliefs. In Bagamaspad and Pawid-Hamada's (1985:68) *A People's History of Benguet Province*, they note that gold to the Ibaloy and Kankana-ey was a gift from the Supreme Being but was later hidden to them because of their greed. They mention another similar story from the histories of the municipalities of Benguet about a legend of a golden tree. Like the gift from the Supreme Being, the golden tree was knocked off by a bull sent by the gold god, *Balitok*<sup>1</sup>, because of greed and folly. The trunk was buried in Itogon, its roots and branches scattered in Mankayan and Tublay, and its leaves spread throughout Tuba and Sablan. Such folklore

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<sup>&</sup>lt;sup>1</sup> Balitok means gold in Ilocano. Ilocano is the *lingua franca* in Benguet.

could have mutually initiated and fortified having the first large scale mining activity in the Philippines in Itogon. These folklores are still recognised until today, although for recently migrated and/or transitory mine-workers, these are not known.

However, other folklores and folk beliefs that are still being practiced and observed are passed on and eventually imbibed by the newcomers. The most common are stories of a dog, red flowers, or ripe tomatoes mysteriously appearing in the tunnel. Any of these indicate signs of high grade gold. Moreover, eating fish, dog-meat, goat-meat or anything with a strong smell is avoided when going inside tunnels or during the 'cooking' process to avoid bad luck. Also, mine-contractors and mine-workers are not to engage in any sexual activities during the cooking process. Further, some mine-contractors strongly remind their mine-workers not to engage in any extra-marital affairs as it brings bad luck. One minecontractor mentioned that one of the reasons for a previous unlucky streak was because a mine-worker was having an affair. She then had to ask that mine-worker to straighten out his act. Correspondingly, even the other mine-workers in his group frowned at their colleague's socially unacceptable behaviour as they, too, blamed him for their low yield. These beliefs then go both ways between mine-contractors and mine-workers. Mineworkers mindful of this belief avoid working with a mine-contractor whom they think is engaged in such a practice. Both the mine-contractors and mine-workers are careful not to invite bad luck, resulting in self-regulation and monitoring each other's actions. But as with many beliefs and traditions, they are not strict and are openly interpreted.

Folklores and folk beliefs reflect traditions and social processes (Valk 2007). It is usually passed on orally from one generation to the next. Its continuance and modifications depend much on people's memories and preservation of tradition. Though discussing the interrelation of folklores and folk beliefs to tradition and social processes is beyond the objectives of my study, I want to emphasise that the persistence of folklores and beliefs among miners in Itogon portray a long tradition and culture of mining in general. Even with the development of Benguet Corporation, which increased the number of migrants, these folk traditions remain to be practiced and modified by miners. In Subido's (1987:33-34) *The Mining Folk Beliefs of Itogon, Benguet,* she points out that one reason for the lengthy existence of mining communities in Itogon despite the arrival of migrants is that "the

original change agents were able to ease this way of life into the traditional community by recognising the traditional ways and mores." Subido's thesis was focused more on the surge of migrants that comes with "gold rush phenomenon." But this can also be said to the construction and development of Benguet Corporation. Moreover, Sajor (1999:138) notes that, unlike the Spanish conquerors that used the cross and sword, the Americans' manner of *civilising* the natives is through formal education. Their approach of tactically 'friendly' colonisation was more effective in capturing the people and gold of Benguet.

Florendo, in her article on *Ethnic History-Cordillera* on National Commission for Culture and Arts (<a href="http://www.ncca.gov.ph/main.php">http://www.ncca.gov.ph/main.php</a>), points out that the Americans classified Filipinos into two categories, i.e. wild and civilised population. The wild population were those unChristianized and uncolonised making the Cordillera peoples fall under this classification. Florendo explains that the American's systematic efforts to categorise their subjects and specify culture zones, which would become the basis of the current ethnolinguistic subgrouping of the Philippines, made it more effective for them to implement policies for pacification. She also notes that one of the changes that would have a long-term impact on the peoples of the Cordillera were the land laws and mining acts that were implemented. The Cordillera people would lose their control over their ancestral land and claims. Such even would be reflected in the beginning of Benguet Corporation discussed in the next section.

It is important to reiterate that resistance against the American colonisation in the Cordillera region in general existed and persisted. Unlike during the Spanish period, however, the efforts of the peoples of the Cordillera were not strong enough to resist strategic manner of pacification of the Americans. Also, resistance to colonialism and to more recent manner of control in the name of development like mining or dams construction are apparent in other areas of Cordillera (see Contreras 1992; Boquiren 1997; Castro 2000).

In the case of Benguet Corporation, there was no record of direct resistance to its construction. One of the reasons for this could be mining has been part of the tradition of the people of Itogon. The construction of Benguet Corporation is just another mining

venture but with faster and more modern equipment. Further, Subido (1987) also discusses how the miners believe that when someone finds gold, it is his destiny to find it<sup>1</sup>. It is a reward from a Supreme Being for his hard work and persistence. Therefore, introduction of modern, thus faster and more efficient, methods of extracting gold, could just be accepted as an enhancement of the opportunities of finding one's destiny. Furthermore, Subido (1987) notes how Benguet Corporation has been incorporated in the community's way of life, which is in exemplified in sponsoring an important practice in Cordillera called cañao<sup>1</sup>. Subido (1987:33) writes,

In occasions where it is called for, the company sponsors what they call a general mining cañao where all employees from the senior staff to the miners participate. This provides intermittent breaks from the tight schedule of mining operations and at the same time, satisfies the standards and procedures set by the highlander's traditional concepts.

However, much like the displeasure toward the changes currently observed in the mine-contractors of ACMP, Subido (1987) notes that much has changed, at that time, since the early days. Although the tradition was being practiced, traditional folk ideas are no longer being satisfied. Subido (1987:34) posited that that could be one of the important reasons for growth of discontent among miners of Benguet Corporation who have been staging strikes, as reported in local newspapers in 1986 and 1987.

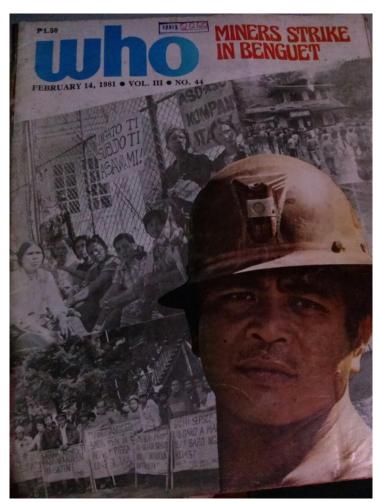
The demands to these protests, however, were about improvement of better working condition and the Corporation's management policies. It was not about having the Benguet Corporation stopping its operation. Similar to Welker's (2012) *The Green Revolution's ghost: unruly subjects of participatory development in rural Indonesia*, the unrest in Batu Hijau copper and gold mine that Newmont Mining Company wanted to control was centred on the protesters demanding jobs in the mine. Although they threatened to stop the mine, it was not to stop the mine from its operation. It was about getting what Newmont 'owes' them. The protest was about benefitting from the mining process as wage-earners. In trying to appease the discontent that is transforming into violent behaviour, Newmont

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<sup>&</sup>lt;sup>1</sup> Only men go inside a tunnel. It is then more fitting to use the pronoun 'his.' Women also do mining but they do not work inside tunnels for it is thought of as too strenuous work for women. In earlier days, women do panning in the river. Today, at least based from the fieldwork, they are involved more in buying/selling and reprocessing tailings. (for more details on the mine process, see Chapter Three)

sponsored a participatory integrated pest management workshop. The workshop's expected outcome is to transform the participants into new 'subjectivities;' ones that are productive and self-reliant (Welker 2012:401). However, the experience only left a majority of the participants believing the mine owed them more than just a sense of enterprise, empowerment and autonomy (Welker 2012:402). It strengthened the paternalistic relations between Newmont and the community.

Correspondingly, Benguet Corporation, with its very long history and relations with communities in Itogon, has the same paternalistic relations with the people. And now that it is unable to 'give back' to the community same as before it suffered economic crisis, the people interpret it as lack of concern and 'heart.' The ambiguous sentiments and rationales that lies within the discourse of corporate paternalism as experienced by the people on-the-ground is traced in the history of Benguet Corporation that is related to the people's memory of the past.



The photos depict wives of miners of Benguet Corporation demanding wage increase and better working conditions for their husbands. [Image is a cover of a local magazine, 'Who']

Paternalistic relations are expected to develop, if not an *ipso facto*, between corporations and communities where they operate. It revolves around understanding the fact that the impacts of the corporations, which, for mining, are direct and conspicuous, are incorrigible.

<sup>&</sup>lt;sup>1</sup> Cañao is tradition practiced by the Igorots. It is festive ritual to express one's gratitude to the gods and ancestors.

Finding the most conscientious and morally acceptable initiatives of mining corporations to compensate for its socio-political/-economic and environmental impacts is an elusive endeavour<sup>1</sup>. Thus, my study only hopes to identify the factors that contribute to persistence of corporate paternalism despite the obvious negative impacts of mining. Before going into the discourse of corporate paternalism and its link to history and memory, let me first give an overview of Benguet Corporation's beginnings.

## Benguet Corporation: a brief history

The Benguet Consolidated Mining Company, which was later changed to Benguet Corporation, was developed during the American colonisation of the Philippines.' It is the oldest mining company in the country having been around since 1903. It is regarded as the pioneer of modern gold operation in the Philippines and paved the beginning of the Philippines' mining industry. Its name is from a province of the Cordillera Administrative Region called Benguet where its first mining operations are located. Its beginning is closely associated and intertwined with the founding of Baguio City (de Jesus 1978), the chartered city of Benguet province, in 1909.

With an average elevation of 5,000 feet above sea-level, the Americans found Baguio City's mountainous terrain and cooler temperature ideal for recreation compared to the lowlands. Baguio City was then set up as a mining town and recreation facility (de Jesus 1978). The Americans built a rest and recreation camp called Camp John Hay for the U.S. Armed Forces. The Camp remained under American management until they handed it over in July 1991 (de Jesus 1978). Baguio City's development was made possible with the construction of Kennon Road in 1903, which was one of the first major access roads to Baguio City from areas in the lowlands that had long been established by the Spaniards.

Benguet Corporation's major and initial mining areas are all located in Itogon, one of Benguet's thirteen municipalities. Its first gold mining operation started in 1906 in

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<sup>&</sup>lt;sup>1</sup> There are scholars who would strongly argue with this. Exemplary to this belief is IIED's Mining, Minerals and Sustainable Development Project <a href="http://www.iied.org/mining-minerals-sustainable-development-mmsd-background-publications">http://www.iied.org/mining-minerals-sustainable-development-mmsd-background-publications</a>

Antamok. Then it expanded its operation in nearby areas of Balatoc and Acupan in 1927<sup>1</sup>. Coming from outside Benguet province, the main access routes to all three areas is from Baguio City.

The development of the Benguet Corporation and the lure of gold in general are extensions of American colonisation and the development of Baguio City. Traces of American influence are very much present in the City and to a large part of the Cordillera region. It is common to hear country music playing in buses when travelling to the municipalities or see people in cowboy hats and boots, which is considered an American influence (Fong 2006). It is also more common, especially for older inhabitants, to know English better compared to national language Filipino. When talking about American colonisation, it is always seen in a positive light, which is also the same with the development of Benguet Corporation. There are, however, events of exceptions, but memories of how the place (i.e. Baguio City and Benguet Corporation) seemed to be better when the Americans occupied the area appear to always offset these exceptions. Favourable views to American colonisation persist to this day (and are probably shared by the rest of the country). That is extended to the general perception of the Benguet Corporation, which I argue to have implications to the relations that exist between the actors in ACMP. These connections are better explained with a clearer picture of Benguet Corporation's history and current situation.

Bagamaspad and Pawid-Hamada (1985:25) note that the magnitude and importance of the mining industry in Benguet may be gleaned from its value of production in precious metals in 1966, which represents 87.58% of national production in 1967. A large percentage of it is from the Benguet Corporation but small-scale mining factors largely in terms of social importance of mining as a practice and tradition.

Until the late 1980s, Benguet Corporation was known as the biggest gold mining company in the Philippines and sixteenth largest in the world. In 1934, it expanded to refractory chromite operation and copper production in 1971 but remains, to this day, to concentrate

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<sup>&</sup>lt;sup>1</sup> Balatoc and Acupan are sitios to barangay Virac where my study is located. *Barangay* is the most basic government unit in the Philippines. It is composed of *sitios*, which can be translated to hamlet. Virac is one of the municipality of Itogon's eight *barangays*. I will be using Acupan as reference point instead of the larger unit Virac.

on gold and nickel. Currently, their mining operations include Acupan Gold Project, Balatoc Tailings Project and Sta. Cruz Nickel Project, which is located in a different region in the Philippines and not part of Benguet province.

Benguet Corporation, however, despite its claims of dynamism in overcoming difficult situations including economic turmoil, suffered gravely during the Asian financial crisis at the end of twentieth century. Even before the crisis hit its hardest in 1997, due to natural disasters particularly the earthquake of 1990 that gravely affected Baguio City and nearby municipalities of Benguet and the Mt. Pinatubo eruption in 1991, Benguet Corporation is already beginning to fall on its knees. This series of difficult events has led to the suspension of its mining operations. Acupan area was the first to be put on hold in 1992, then Antamok in 1998.

I grew up in Antamok and remember that when the mine was made to cease its operation, bidding farewell to childhood friends had become a familiar sight. Today, Antamok is reduced to rubble—abandoned mill, dirt road, and mostly treeless dusty mountains. The place is unrecognisable to what it once was. In Acupan, however, the old structures are still in place but no longer reflect a mining company that had once pioneered modern gold mining operation in the Philippines. In its Balatoc Mines Tours, one of the Corporation's ventures to keep them financially afloat, tour guides speak of its previous glory but the site cannot deny how far it has fallen.



Mr. Toyoken, recognised as the country's "Best Miner" in 1991 and has worked for Benguet Corporation since 1974, on his way to the tunnel to welcome visitors for the Balatoc Mines Tours

After talking to one of the oldest miners, who had been awarded Best Miner in 1991 at Malacañang Palace, Benguet Corporation, indeed, currently lacks the capacity to support its employees. He said, although he was thankful for being called back to work again, even at the age of sixty five, he feels the neglect of Benguet Corporation to its employees. Currently, Benguet Corporation only hires on a contractual basis. It means the employees' are given contracts renewable for six months and basic benefits are not provided. Before, the employees are paid on time, provided with insurance and leaves are compensated. Today, even provision of medical insurance and medical services provided is poor to non-existent. He said the hospital is reduced to a clinic and a doctor comes only once in a month. He shared, "It is better to do self-medication. Just chew garlic and drink lots of water." For accidents, however, water and garlic are hardly going to do anything. One of the contractors mentioned that when miners meet accidents, it is up to the contractors to handle the expenses. Benguet Corporation can provide an ambulance but according to one of the mine-contractors, often times the contractors are responsible for paying for the gas. <sup>2</sup>

Former employees and those that came back to work when Acupan reopened associate the inadequacies of Benguet Corporation more to the attitude of the management staff than to its crippling financial state. They do not disregard, however, that the main reason is largely because of the huge difference of the current production compared to the past.

Some contractors also share the same sentiment with regard to this lack of concern but also relate it more to Benguet Corporation's, as one of them put it, "no longer having a heart unlike before." Like the employees, they know that the current financial situation of Benguet Corporation is a large factor to its behaviour. They believe, however, that the central office, which is located in Manila, no longer cares very much about the condition of the Acupan field office. One of the indications constantly pointed out is the constant change of field managers. The contractors said it affects their work. Policies are constantly amended and new rules suddenly come up. They said it affects their rapport and disrupts relationship and comradeship ('pakikisama') to the managers. In general, they think Acupan

<sup>&</sup>lt;sup>1</sup> On the contrary, Mr. Solano claimed that the doctor visits three times a week, i.e. Monday, Wednesdays and Fridays (see Appendix 2).

<sup>&</sup>lt;sup>2</sup> As with the doctor visits, Mr. Solano pointed out that, unlike what was stated above, Benguet Corporation always pays for the gas of the ambulance in such incidents (see Appendix 2).

is left to work on its own like an old person left in a home but provided with care just enough to keep her alive while waiting for inheritance to be finalised.

Along with the feeling of disappointment among the people, i.e. mine-contractors, employees and locals who have lived and known Benguet Corporation during its heyday, also express their sympathy at how far the Corporation has fallen. Such ambiguous sentiments fall under the corporate paternalism discourse. Corporate paternalism below is discussed in relation to postcolonialism, particularly focusing on memory and history.

# Connecting the links: unravelling the narratives and relationships

History is our connection to the past and has implications to the present. This connection is made more apparent in postcolonial studies. In her article of literary pieces reviewed in postcolonial lens, Innes (2012) uses concepts of history and memory to bridge the connection of history to the present. She posits that "anti-colonial literature begins by challenging histories by colonisers" (Innes 2012:827). They are written mainly "to challenge the colonialist historical narrative" (Innes 2012:825). She relates history and memory to Anderson's (1991) *imagined community*. She said it is the presence of a collective memory that shapes one's identity. The imagination of common identity like national identity involves creation and re-creation of a collective memory (Innes 2012:827). It is a process of opposition between memory and history (Innes 2012:823), which implicitly implies remembering/forgetting thus creating a vague, if not fictional, memory of the past. Although fictional here do not mean false as so much as it is unreal. But memory is an altered, possibly romanticised and idealised, connection to past experience. As Innes (2012:827) rightly puts it, memory involves "altering of memory through time."

What I want to put emphasis on is the connection of history and current lived experience as widely discussed in postcolonial discourse (Vijay 2005). I do not, however, deal here with identity but with the relationships that are developed between the 'change agents' and ones that are being affected. Postcolonial studies, particularly its overarching argument regarding the connection of the past and present, provide a viable jump off point as I shift my analytical lens to the concept of corporate paternalism. I want to relate corporate

paternalism to the current relations of the community and Benguet Corporation with the altered memory of American colonisation.

## Paternalism is broadly defined as

moral responsibility, which holds that an action, including that of a corporation, is morally responsible or moral insofar as it is reasonably intended to impartially maximise human well-being (Michalos 1991 in Crossley 1999:291)

The definition does not bring to fore the memory and history. But I argue here that, at least in the case of Benguet Corporation, the persistence of paternalistic expectations of the residents of Itogon<sup>1</sup> despite the company's diminished paternal capabilities due to economic crises and other natural disasters is largely related to its long history. The relationship that developed for over more than a century of its existence shaped the ambiguous sentiments of the people of towards the company. Consequently, it is the same factor that could explain the relaxed relationship and blurred hierarchical relations within ACMP.

Based from the meaning of paternalism adapted above, moral responsibility plays a big role in paternalism. However, Crossley (1999:291) argues that the "Broad View" of paternalism is immediately in collision to the considered notion of paternalistic acts, i.e. autonomy and consent. He says paternalism immediately implies crossing the boundaries of (personal) autonomy and consent. At best, it is a masked act of control.

His argument is founded within the context of state or corporate policies, which are aimed at promoting the well-being of its citizens or employees. He explains policies are implemented with the notion that people are either provided with choices the institutions think the people might consent to eventually or provide them with choices when they actually need them. In both these cases, which Crossley (1999:293) explains as justifications to paternalism, autonomy and consent are not really considered. Instead, they are reduced to an illusory free will. Crossley's concern regarding autonomy and consent creates a connection between corporate paternalism and colonialism. Pointing this out makes post-colonialism discourse more than just my jump-off point. It also anchors the notions of

<sup>&</sup>lt;sup>1</sup> Itogon here refers to all the mining areas where Benguet Corporation operates unless otherwise indicated.

history and memory, i.e. the interrelation of past experience and present actions, that I want to put emphasis on.

Corporations, however, unlike the colonizers, do not directly invade one's sovereignty. Ideally, transnational corporations go through legal processes required by a state before they can start operating; even though a state's legal processes may be dodgy and corrupt, which is not uncommon to mining companies (IIED 2001). The point is, at least within a state's national level, corporations did not force themselves in unlike the colonizers. However, both have the idea of benevolence in their interference to the people and/ or state's autonomy albeit with different intensity. Both believe that their actions of invasion/ interference are rooted in the name of the people's well-being. Both can be characterised broadly on the classic notion of white man's burden although mining corporations can also be owned by non-white; it can be even by the people of the state.

Corporate paternalism, however, cannot separate the idea of benevolence. They come from the idea that they are doing a favour for the people whom they are aware, at some point, are affected in a bad way. Otherwise transnational companies would not need a "social license to operate" and justify their actions. Corporate paternalism can be another form, if not a transformation, of the so-called corporate social responsibility (CSR). It is argued, however, that CSR involves transnational scale compared to the more local corporate paternalism. I would like to point out here that, despite the scale, both can be seen as what I want to call the "heart of the Tin Man" because CSR, too, is just another manner of addressing a company's conscience towards their actions. In the case of ACMP, one of the mine-contractors mentioned that Benguet Corporation is hoping that its CSR be shouldered by the mine-contractors. She said it is yet to be discussed but said it is highly likely that it would be included in the sharing scheme.

The mine-contractors do not exactly understand the concept of CSR. What they have in mind is the sponsoring of community activities like graduation, community Christmas parties, or just general parties similar to the cañao without the actual ritual. The concern regarding CSR was still under discussion but suffice to say that CSR, in the minds of the mine-contractors as well as the Benguet Corporation, is like corporate paternalism wherein

it is a form of giving something back to the community. It does not matter if it is something sustainable or socially-significant. For them, it is a favor, voluntary benevolence, given to the other members of the community who are not involved in the ACMP. Should funds that are meant for CSR be included in the sharing scheme, the mine-contractors believe it would not be fair because they think it is Benguet Corporation's 'responsibility.' Coming from this point of view, mine-contractors detach themselves from being part of Benguet Corporation in terms of its paternal benevolence. For them, Benguet Corporation's paternalistic actions should be the company's sole 'responsibility.' The mine-contractors are caught between the ambiguous roles of being part of the community, thereby deserving of the Benguet Corporation's initiatives of paternalistic benevolence, and part of the company, thereby 'responsible' for 'giving back' to the community.

On the other hand, one of the mine-contractors expressed his displeasure at the community and is sympathetic towards Benguet Corporation, believing the latter to be naïve for allowing such pressure. He was referring to the more recent incident where Benguet Corporation gave a hefty amount of money to particular households. He said the money was supposedly for hog-raising livelihood initiative and rhetorically asked me, "But do you see anyone here who used the money for that purpose?" The mine-contractor, as well as the rest of his peers and some community members, was of the opinion that the Benguet Corporation should stop giving in to these aggressive petitioners whom he believes only want money and are taking advantage of the company's 'kind-heart.' Such displeasure may arise from the thinking that, as 'partners' of Benguet Corporation, they too are being taken advantage of.

However, when it comes to their concerns within the ACMP, the Benguet Corporation is viewed without a 'heart.' One of the mine-contractors recalled a time when the management of Benguet Corporation cared more of its people. His recollection, however, is coming from the point of view of someone who is just part of the community and not as a 'partner' of Benguet Corporation.

The long history of Benguet Corporation starting from being foreign-owned to its current state of locally-owned<sup>1</sup> has blurred the lines between company and the community. The current field management staffs at Acupan are from Cordillera, not all but a majority of them Igorots, and grew up with the company. Many, if not most, of the staff I have talked with have parents who have worked for Benguet Corporation as mine-workers. Most of them, including their parents, would not imagine having improved their lives, mostly through finishing their education, without Benguet Corporation.

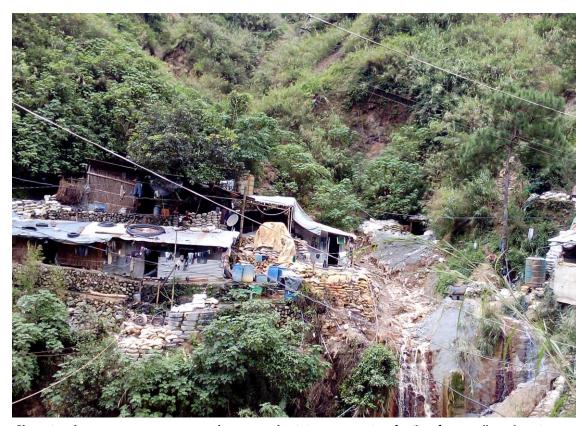
In addition to these memories, the current employees also reminisce on the better benefits the Corporation used to provide. As one miner who was among those who worked the longest for Corporation recalled, the medical facilities used to be good—a hospital with enough equipment, free medicines, check-up, etc. There are also bonuses added to the usual salary. Most notable to them are the fun perks like Benguet Corporation hosting various social events like Christmas parties, and summer vacation, among others. All these gradually changed as the international market and natural disasters resulted in people being laid off. It has been more than two decades since Benguet Corporation suspended their operations in Itogon. And now that it reopened through the ACMP, people in the community are expecting the same level of paternalistic actions from Benguet Corporation.

Many of the current employees, particularly in management and the administrative section, have parents who have worked for Benguet Corporation, either as mine-workers or in the same section. And they are the ones that are more reminiscent of the past. The sense of gratitude, disappointment, and disdain towards Benguet Corporation is more expressed. They shun away from discussing the obvious environmental issues that comes with mining. They know how Benguet Corporation, with its current condition, is struggling to keep up with the environmental standards, which does not mean it did not have any environmental problems before. They agree Benguet Corporation needs to address such concerns. But when asked if they will get involved in outright action like protest, most of them think it would not be proper to do that. Further they know that mining is generally unsustainable, environmentally unfriendly, and has contributed to the grave physical conditions of the

<sup>&</sup>lt;sup>1</sup> Local here means Filipino and not local as in coming from Itogon or even from Benguet province.

area. But the past and its role in the development of their personal lives remain in their memories, which, in turn, influence the ambiguous sentiments towards Benguet Corporation's lapses.

In my various random conversations with one of the mine-contractors, he opined that those who have a strong anti-mining sentiment are children of miners or grew up in mining companies. When I asked him to elaborate this paradoxical outlook, he explained because they are aware of what it can do the physical environment. Then added that they, however, know that somehow it is not easy to stop but of course they need to stand to whatever they believe in. His elaboration did not clarify his outlook but it reflects the mixed, abstruse viewpoints and sentiments that exist between the community and Benguet Corporation.



Shanties that serve as temporary home and mining processing facility for small-scale miners can be seen around Benguet Corporation's premises.

Furthermore, another mine-contractor echoed such ambiguity when he shared his own perception of mining. He also knows how mining has damaged the river and mountains, and how it could have been the cause of landslides in the area but he could not imagine mining being stopped. He shared that he organises tree-planting activities and makes sure these occur during the rainy season. He said, "There are more chances of the trees to grow

during that time." However, coming from a pragmatic view, he pointed out that mining is the main source of livelihood here. He then bluntly said, "The damage has been done. If it is like in Bontoc<sup>1</sup> where mining was totally opposed then I can understand. But here, in our case, there is nothing that can be done. The mountains have been stripped and gold showed itself. It is too late to go back now. Let the mountains be stripped. We worked hard for this. Let the children find ways to deal with it. It is not that I want them to suffer. But how will I live if I do not work?"

The statement regarding working hard to find the gold corresponds to Subido's (1987) notes regarding stumbling upon the yellow matter. Miners see it as a reward for their hard work and persistence. Thus, putting a halt to this endeavour means going against one's search for his destiny.

In contrast, another mine-contractor pointed out that mining should be stopped. He said, "We do need to care for the environment. I feel sorry if the future children are unable to enjoy the beauty of nature." He said mining may be the main source of livelihood but it might be good to start looking for alternatives. "It would not hurt to eat salt once in a while. It does not have to be *lechon* all the time<sup>2</sup>." But when asked what possible alternative livelihood could actually give the same support as mining, either with ACMP or individual small-scale efforts, he could not give a more direct answer.

The paradoxical viewpoints regarding the impact of mining in general is associated with how their ambiguous sentiments regarding Benguet Corporation. Moreover, the construction of Benguet Corporation was not met and remembered with hostility. It has 'eased its way' to the people's lives and remains to be remembered in its 'glory' days.

<sup>1</sup> Bontoc is a municipality of Mountain Province, which is also part of the Cordillera Administrative Region. For a report on the opposition of Mt. Province to development initiatives such as mining and dam-creation see Allad-iw, n.d. (<a href="http://bulatlat.com/main/2009/06/06/cordillera-tribes-heighten-struggle-against-large-scale-mines-in-chico-river-watersheds/">http://bulatlat.com/main/2009/06/06/cordillera-tribes-heighten-struggle-against-large-scale-mines-in-chico-river-watersheds/</a>)

<sup>2</sup> Lechon is a pork dish that is cooked slowly under slow heat. It is only prepared on special occasions and it is

<sup>&</sup>lt;sup>2</sup> Lechon is a pork dish that is cooked slowly under slow heat. It is only prepared on special occasions and it is a luxury to have it as part of the menu. This is in contrast to salt, which, in dire situations, is eaten as a dish with boiled rice.

Corporate paternalism breeds dependency of the community to a corporation. Cheshire (2010) problematized this consequence in her study of the mining companies in Australia. Her article emphasises that mining companies intervene for two reasons. One is to secure a 'social licence to operate' and another is due to state institutional deficiencies that resulted to institutional void in remote localities (Cheshire 2010:12). She mainly argues that mining companies cannot help but fill in the gaps of local service delivery through taking a central role in the governance of the locality. The relationship built, however, is in the form of patronage rather than partnership. She points out that her main argument raises the question of future viability of the communities when the companies close. Cheshire's question of viability can be illustrated in the case of Benguet Corporation to the municipality of Itogon, particularly to Antamok and Balatoc areas. Despite the apparookent difference of the conditions compared to the Corporation's former glory to its current "sorry state" as one of the employees put it, it is still expected to deliver its role as a looming paternal figure. Furthermore, the fact that most, if not all the employees are from the community and have parents who worked for the company, the relationship of the company and the community has become more personal. The line that supposedly distanced Benguet Corporation as a private company has become blurred as the company is seen more than just a part of the community. It is seen and remembered to be part of their history and present. Thus, when Benguet Corporation was forced to suspend its operation due to reasons of economic downturn and natural disasters, people were sentimental about it. Although such sentimentality could be triggered by various reasons, the precariousness that comes with losing one's source of livelihood the most apparent, but also the loss of an important player of the community, not to mention the memories that go with this. As one of the mine-contractors directly answered when I asked whether it would more ideal for them to work without Benguet Corporation, "No. That is not necessary. They [Benguet Corporation] are good. You can easily talk to them and they have been here for a long time." He admitted that some arrangements in the ACMP could be improved but, in general, he views Benguet Corporation as just another colleague. He, as most of the other mine-contractors, deals with the company as someone that could be improved and negotiated with; not a looming figure that is all powerful. They, however, do not underestimate nor do they disregard the power the company has over them in the so-called 'partnership.'

Congruently, Benguet Corporation is pressured to live up to the expectation of being a paternal figure. The actions of Benguet Corporation that are interpreted by most minecontractors as the Corporation's naiveté to address the issues raised by the community can be interpreted as desperate attempts to maintain their paternal role. But it can also be seen as just another CSR strategy. I do not disregard that these, of course, are strategic actions to keep themselves in power. I want to argue, however, that Benguet Corporation is integrated in the community that, at least for the mine-contractors, it is no secret that it is on its knees, if not already on all fours, financially. Without the mine-contractors, it would not have been able to reopen. This knowledge gives the mine-contractors the feeling of having the upper hand. One of the mine-contractors candidly said he is aware that Benguet Corporation is in a lot of debt. He said it is highly likely that the required amount from the mine-contractors (see Chapter Three) is not going to be returned back to them, as what is expected, if worse comes to worse. One of the contractors present in the conversation was surprised and asked, "Do you think they will do that?" To which the mine-contractor chuckled and replied, "It's possible. But let us just hope it will not happen, at least not anytime soon?"

The statements in this exchange raise and put emphasis on the ambiguous outlook of the community towards Benguet Corporation. Both sympathetic understanding and recognition of the company's power to turn against them are present in his remark. In a different conversation, another mine-contractor shared he felt bad for Benguet Corporation at one time when it could not buy their gold produce. He then had to talk to the finance department to allow him to sell the gold to a different buyer. He said he also needed the money at that time and his mine-workers are also in need of cash that time.

The gesture of the mine-contractor could have been very personal without genuine concern about his mine-workers. But what is notable is that his actions reflect contrasting values of individualism and self-interestedness, concern for his mine-workers and sympathy and disappointment with Benguet Corporation.

## <u>Synopsis</u>

In this section, I mainly discussed the influence and interrelatedness of history and memory in fortifying corporate paternalism. Further, corporate paternalism is an inevitable process that breeds dependency of the community to the corporation. But in the case of Benguet Corporation, it has become a part of the history and memory that getting rid of it is not considered. Although the community has issues, the company has been seen as just another person to discuss and negotiate with. The ambiguous feelings brought by sentimentality and a sense of gratitude for some of the people's personal development, and having most of the employees from Itogon, at least in the Acupan area, have reduced the dealings of the community with Benguet Corporation to a more personal level. It was quite common to hear from mine-contractors alike how Benguet Corporation is easy to talk to. This is mostly because the employees, both at the administrative and management levels, are their childhood friends, if not acquaintances and even former colleagues. The point is the mining company is indeed not seen as a monolithic. As Welker (2014) argues in Enacting Corporation, Newmont Mining Corporation faces continuous struggle over relations and responsibilities to the community, government and other social actors. Similar to Benguet Corporation, it has a continuous effort to be the paternal figure as it is remembered. Unlike in Welker's study, Benguet Corporation is treated not as looming figure but another subject with self-interest and sympathy. It is not a stranger to the community. It is treated simultaneously as a source of concern and resolution.

The relationship that exists between the community and the company is complex. I argue that such dynamics explain the lenient security measures of the company. I do recognise that one reason is lack of financial means to implement stricter security. However, I want to go beyond that interpretation and look into relationships and social connections in making sense of that scale of analysis. This chapter focused on the scale of community and Benguet Corporation within the analytical frame of history and memory and its interrelation to persistence of corporate paternalism.

#### CHAPTER THREE

Mapping ACMP: identifying roles, revealing relationships and deconstructing meanings

Money's only paper only ink
We'll destroy ourselves if we can't agree
How the world turns
Who made the sun
Who owns the sea
The world we know will fall piece by piece

"Paper and Ink"
Tracy Chapman

## Conception of ACMP

Benguet Corporation, unlike other mining companies in the Philippines, own patents of the land of their mining areas (Cabreza 2012). Thus, the mining areas are not on lease and Benguet Corporation is not required to revert it back to the government. When mining operation in Acupan was suspended in 1992, the infrastructure, underground mining installations, and access were left with poor security. An employee of Benguet Corporation said there was a maintenance group created after suspension of operations to secure the installations, tunnels, and equipment. The cost of maintaining, however, made the efforts unfeasible. As for small-scale miners living near the area, the idea of getting past the security to take samples of ores inside the tunnel is just too tempting to let go. The small-scale miners living around the Company's periphery saw the suspension of operations as an opportunity to work on the area owned by the Corporation. They have been mining around the area of the Corporation and are aware that the area within the Corporation is far from barren, in terms of gold that can be extracted through small-scale mining methods. These mining activities are considered illegal because the area is technically a private property. Addressing these intrusions is one of the main factors that led to the creation of ACMP.

The ACMP was conceptualised as a livelihood project by a number of small-scale miners from Barangay Virac where Acupan is a sitio. One of the first mine-contractors in ACMP shared how he first talked it out with some employees of Benguet Corporation who are his friends and long-time acquaintance. He was encouraged to draft a proposal for the idea of a 'partnership' that resembled what is now ACMP. He said there have been changes made but not drastically. The Benguet Corporation and the mine-contractors, particularly the

early members, thought of the arrangement as advantageous for both parties. Benguet Corporation does not have the capital to handle high operating costs and properly securing the area. The mine-contractors, on the other hand, have the capital, at least to work on a per area basis, i.e. in a small-scale manner. But during my fieldwork, all of the mine-contractors felt that the supposedly equally advantageous arrangement is tilting more towards Benguet Corporation.

Initially, only residents from Virac were welcome to express interest to be mine-contractors. The pioneer mine-contractors in agreement with Benguet Corporation wanted to keep the project within the area and avoid outsiders. But over the years, since its conception in 2002, residents from other barangays were welcome to bid as mine-contractors. At the moment, there are twenty-two mine-contractors and all are from Virac. According to one representative from Benguet Corporation, there are no other areas open for new mine-contractors. Before leaving from fieldwork, however, mine-contractors mentioned the possibility of opening new areas for bidding. Benguet Corporation has been trying to clear tunnels that were submerged in the flood during the 1990 earthquake.

From the point of view of Benguet Corporation, which is shared by the mine-contractors, the ACMP was a way to legalise the intrusion small-scale miners who are working around the area. The boundaries of the small-scale areas, however, are not legally defined, or at least open to interpretation, which is usually the cause of conflicts. The boundaries are mostly discussed informally relying mostly on trust amongst small-scale miners not to go beyond somebody else' work area. But for Benguet Corporation, their perimeter is mapped and defined. As the small-scale mining activities are close to Benguet Corporation's and tunnels developed through small-scale mining are, as miners put it, a maze, the possibility of crossing the borders of Benguet Corporation property is not unlikely. However, there are instances that miners deliberately risk going inside the tunnels of Benguet Corporation. Such activities made the pioneers of ACMP, who are also small-scale miners themselves or were once involved in small-scale mining at some point in their lives, suggest to Benguet Corporation to reopen in the form of what is now ACMP. The proposal was mostly favourable for Benguet Corporation who drafted the final agreement. But it can also be

viewed as a strategic move for these pioneer mine-contractors to minimise competitors as not all of these miners can bid as mine-contractors for ACMP.

# The actors in ACMP: narratives (dis)connections, and relations

ACMP's structure is considered a tripartite 'partnership.' It involves a private institution (i.e. Benguet Corporation), local residents (represented by the mine-contractors) and the state (represented by the Mining Geosciences Bureau (MGB).<sup>1</sup> Benguet Corporation, as the main employer, is responsible for the overall management of the partnership. And, as noted by one of the employees of Benguet Corporation, it expects the mine-contractors and miners "full and efficient cooperation" in the implementation of the contract.

Aside from owning the land, it provides the main equipment for mining, particularly for processing and refining the ores. Further, it supplies the materials needed for obtaining the ores. Among these are timber, which is used for support to prevent the tunnels from caving in; and explosives, which are illegal to acquire if not by a mining firm (but this does not prevent mine-contractors of acquiring them elsewhere).

Also, Benguet Corporation is responsible for assigning specific areas to each mine-contractor for exploration and development. The areas assigned depend on accessibility and safety. Notably, the mine-contractors said they were made to choose which area they wished to work in. As one mine-contractor pointed out, with a slight tone of resentment, her area is not as productive compared to the earlier mine-contractors who were able to choose and explore areas with better potential to contain valuable ores. She said her area is one of those rejected by the earlier mine-contractors.

The Acupan underground is composed of four main levels with sublevels in between. These main levels are labelled L-2000, L-1875, L-1700 and L-1500. The levels are based on the distance, in feet, of the area measured from 32<sup>nd</sup> feet above sea level. Thus, L-1500 is the

<sup>&</sup>lt;sup>1</sup> MGB is responsible for the conservation, management, development and proper use of the country's mineral resources including those in reservations and lands of public domains. It is under the Department of Environment and Natural Resources (DENR), which is the executive department of Philippine government responsible for governing and supervising the exploration, development, utilization, and conservation of the country's natural resources.

lowest and most accessible. Further, the opening is within the main facilities of Benguet Corporation and within Acupan area. L-1500 is the main entry and exit points to the underground portal in Acupan and L-2000 portal in Balatoc. The main levels below L-2000 are still flooded and not accessible as a result of the 1990 earthquake. These main levels from L-1500 to L-2000 are approximately distanced 50-60 meters vertically and are interconnected with shafts and raises that may not be open. Benguet Corporation delineated and subdivided these main levels based initially on accessibility or open tunnels. These subdivisions are bounded by coordinates. For ACMP, the subdivisions were labelled as Contract Area I, II, III etc. The areas are awarded to mine-contractors through a bidding process. Vertical mining limits of these Contract Areas are mid-way between Level Areas and the dimensions bidded out do not always have the same exact measurements.

For the bidding process, Benguet Corporation accommodated interested mine-contractors and awarded the Contract Areas to those who met the requirements. The requirements include depositing Php 250,000 (approximately € 4600)¹ that will serve as a bond between the mine-contractors and Benguet Corporation. Ideally, the money is returned at the end of the contract given that the mine-contractor did not incur any debts from Benguet Corporation within the period of the contract.

However, there are instances when mine-contractors are short of capital and have to request Benguet Corporation to use this money to cover their financial needs. Mine-contractors are aware that it should be replenished as soon as possible but that does not happen. Mine-contractors will have to come up with the amount when they renew their contract. It is notable that none of the mine-contractors mentioned being denied such a request. On the other hand, some mine-contractors would prefer Benguet Corporation to refuse such requests because it is not fair to those who do not require this bond. They would have wanted Benguet Corporation to be more firm because they believe the mine-contractors who do it are only making excuses. These sentiments that seem to stand by

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<sup>&</sup>lt;sup>1</sup> Mine-contractors complain that the amount changes every time. Benguet Corporation consults them first but the mine-contractors feel they are left with no option but to agree with the amount. They will not be granted new contracts should they disagree with the amount.

Benguet Corporation are further discussed in the following section as the relationships in each scale within ACMP are analysed more deeply.

Other requirements include permits from the MGB and other government agencies. The permit needed from MGB is in cooperation with Benguet Corporation. It involves the safety standards inside the tunnels. It should be noted that the main permit from MGB, i.e. the Environmental Compliance Certificate (ECC), which is required by the state before a company is permitted to operate, is held by Benguet Corporation. Thus, MGB, technically, has no direct relations with mine-contractors. MGB sends geologists and mine engineers inside the tunnel to check each Contract Areas' compliance to safety standards. Informally, MGB talks to the mine-contractors if they find some concerns but the written report is submitted to Benguet Corporation. As the main actor who is legally recognised by the state as the body that does the mining operation, Benguet Corporation is responsible for complying with national mining standards. But the case of ACMP made this supposedly defined role of Benguet Corporation complicated as the company made the compliance of mining standards part of their requirements for renewal among mine-contractors. The latter are then left to address the concerns pointed out by the MGB.

ACMP despite being viewed as a 'tripartite' partnership does not actually include MGB. The signatories on their contract only include the mine-contractor and Benguet Corporation. State is indeed present in the ACMP process as it is still required in legal aspects. Further, other government agencies are involved such as the National Bureau of Investigation, National Statistics Office, and local government offices like the police and barangay. They, however, are involved with regard to the hiring of mine-workers. The latter agencies and offices mentioned provide basic documents of identification and proof of non-criminal records, at the national and local levels.

In the context of mining in general, MGB is the main agency that represents the state. In the case of ACMP, MGB is still considered an actor as it is the main representative of the

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<sup>&</sup>lt;sup>1</sup> The Environmental Compliance Certificate or ECC is a document issued by DENR and is required of projects that pose significant impact to the environment. This is issued to the project proponent once it has been deemed compliant with the Environmental Impact Statement System.

state within the process. Its direct authority, however, is only limited to Benguet Corporation. Its extreme legal action if Benguet Corporation cannot comply with the mining standards is rebuttal of the company's ECC. But its authority does not extend to the mine-contractors and mine-workers. It is Benguet Corporation's responsibility to 'discipline' the mine-contractors. Correspondingly, it is the mine-contractors' role to 'discipline' the mine-workers. The mine-workers only need to work and negotiate with the mine-contractors but not with Benguet Corporation.

It does not, however, mean that the mine-contractors do not really interact with the MGB. The mine-contractors still relate with MGB representatives in terms of influencing their assessments of their Contract Areas. They, as well as representatives/employees of Benguet Corporation, are included in the negotiating process that mine-contractors get involved with to fulfil their projects of improving their position within ACMP. This is discussed within the discourse of power and agency in the following section.

The mine-contractors, at first glance, can be considered employees of Benguet Corporation. But the usual employee-employer relationship is blurred as one considers that the minecontractors are the source of capital. Without the capital poured in by the minecontractors, Benguet Corporation's Acupan area, and later on Balatoc area, would not have the financial capacity to be reopened. This reality gives the mine-contractors a seemingly equal position in relation to Benguet Corporation. Before elucidating the blurred lines between these actors, it is important to note that although Benguet Corporation is technically open to partnerships with anyone from Virac, the requirements are not really easily met by all. One important requirement is having enough financial capacity to perform the roles of mine-contractors. Further, as one of the initial steps in taking part of the ACMP is for a hopeful mine-contractor to express his/ her intent to Benguet Corporation, it implies initial good relations with people inside the company. Although everyone sends the letter to one person/ office in the company, the response is dependent on whether one has good relations with the 'right' people in Benguet Corporation. One of the mine-contractors revealed how other mine-contractors seem to be jealous of her because she is seen as close to the head manager of the company. Despite her insisting that her closeness has nothing

or will not have any influence on the nature and future of her work, many think otherwise. Such situations cause conflict among mine-contractors and make them act individually.

The mine-contractors have created an association. It was borne out of the realisation that they have stronger leverage to Benguet Corporation when negotiating with a group. But one of the contractors pointed out that, the association was not functioning as it should be. Many of the mine-contractors shared how most of them negotiate or end up negotiating individually, which imply competition amongst them. He said it brings him disappointment if his friends (as he calls the other mine-contractors) do not listen and cooperate. Another mine-contractor said in one of their meetings that their association is not going to fly and told them, "You know why? Because it is not built with a heart." She believed they disdained her for articulating that but knew it should be voiced out for all of them to realise it. She shared that the idea of creating an association was indeed raised as just a mere thought. As years passed, they felt that the Benguet Corporation seemed to just want them to keep following their lead without considering the mine-contractors' situation. They then thought that an association would somehow scare Benguet Corporation into reconsidering their opinions. But she said it should, by now, develop into something more serious and organised, and not just to intimidate Benguet Corporation into considering their concerns. Ironically, all of the mine-contractors I have talked with share her opinion. But each one, at some point, either directly mentions or implies that another mine-contractor has some connections within the Benguet Corporation, thereby cannot be trusted on her/ his loyalty to the association's concerns. This situation opens another opportunity for Benguet Corporation to gain the upper-hand as it would be easier for them to manipulate the minecontractors.

Aside from having good relations/ connections within Benguet Corporation and having the amount needed for the bond, financial capacity to employ mine-workers is also required. The number of mine-workers that can be hired is the discretion of mine-contractors. As per agreement between Benguet Corporation and mine-contractors, mine-contractors are given the responsibility to maintain a pool of manpower to be able to produce each of their assigned production quota. Number of mine-workers is dependent on the number of workplaces opened by the contractor. Each workshop needs at least five mine-workers. It

should be understood that the mining method applied in ACMP is manpower-intensive as the task involves heavy manual work. Mine-contractors can have around sixty mineworkers and that was noted to be a modest number.

The mine-contractors are local elites who belong to the higher socio-economic status and have political influence in the community. Some are former local government officials. For others, the political influence was an effect of having attained higher socio-economic status as a result of being with ACMP. Thus, ACMP, as a livelihood programme is elitist as it is not really open to anyone interested but only to those who with enough financial capacity and good connections and influence. One mine-contractor shared how status and the accompanying sense of power sometimes gets in other mine-contractors' heads. She said some abuse their earned entitlements and "they think they can just buy people." They enjoy the recognition and feel powerful when being able to contribute financially to community occasions like sport events, cañao, etc. She noted that this cannot probably be helped because, like her, they have not finished school (i.e. do not have undergraduate degrees). It then gives them a sense of pride to have some influence and privilege even without having a degree (which is commonly thought of as the ticket to improve one's socio-economic status).



Mr. Calub (guy in orange overall suit), a safety officer of Benguet Corporation, watch as the miners ride on a lorry to go their work area.

Like Benguet Corporation, the mine-contractors have paternalistic relations with their mine-workers. They would always point out how they have helped some mine-workers because they have provided them with livelihood. One of the contractors mentioned how he has to provide shelter for their mine-workers because that would reflect on him if he leaves them sleeping on the streets. He also said how he sometimes hosts some of his workers' birthday celebrations, particularly those who are from the lowlands as it is more common for them to invite all their family members. It would be shameful on his part if he leaves it to his mine-workers to spend for the relatives' meals and not do something to accommodate them. He said he knows how much a mine-worker earns and it would be a pity to make him spend more than he actually can or if he was unable to provide enough food. Moreover, he said he even needed to build makeshift shelters at one point to accommodate the family of mine-workers.

It is common for mine-contractors to provide basic needs such as food and shelter to their mine-workers. These expenses are billed to the mine-workers although such arrangements vary depending on what the mine-workers and mine-contractors have agreed on. Some mine-workers who are unable to provide for their own basic needs agree with this arrangement, i.e. expenses will be deducted from their share in the production. Others finance their own expenses and get their share in full. In some instances, the mine-workers finance all the expenses including materials such as explosives, timber, electricity, etc. These mine-workers are called financiers. Having such capacity of some mine-workers blurs the hierarchy between them and their mine-contractors, distinguishing them from the majority of mine-workers. Usually, the financiers have worked for a long time or were lucky with their production that they were able to save enough and improve their position. The latter is more common because many mine-workers can work for years without catching a break. Some only gamble their time and effort for a few months and get more than enough that they become financiers or could find other sources of income, as many of them do.

All the mine-workers are men. One of the main reasons pointed out by both mine-contractors and mine-workers is safety. One mine-worker said the tunnel is dangerous for women to work in especially because a majority of their potential co-workers would be

men. He said, "The tunnel is too wide and too dark; things can happen." Another reason is the nature of the work. They pointed out that the work is too physically-demanding for women to handle.

Women's involvement is more on buying and selling of tailings for reprocessing. They usually wait outside the gates of Benguet Corporation's processing facility and haggle with the mine-workers.



A woman inquires about the prices of the sacks of tailings just outside the gate of Benguet Corporation's processing facility despite the notice "Strictly no selling/buying of *linang* [tailings] along this area." posted.

Ideally, mine-contractors are required to hire at least fifty percent of its mine-workers from Itogon. But, as in the case of the mine-contractors, mine-workers from other areas are eventually welcomed and, at the moment, have outnumbered those from Itogon. One mine-contractor pointed out that people from Itogon "have become too proud and lazy. They no longer want this kind of (manual) work. So we had to take in people from other provinces." Another mine-contractor said all kinds of people can be found there. "We have people from all the provinces in the Philippines. There are some who come all the way

down from Visayas.<sup>1</sup>" Most of those who originated from outside the Cordillera region had heard about the work from relatives and friends who have worked as miners in ACMP. Some of them were there for a different reason (either visiting a relative, working as drivers, etc.) but were attracted to join mining because of its economic promise. They were told of the possibility of earning big in a short period of time. Many are lured with such stories. Small-scale miners can have a yield that amounts from a quarter of a million pesos (around €5000) to as much as one to two million pesos (around €19000 − €35000) or more in one milling process. I have been hearing stories of the so-called one-day-millionaire miner who, after selling their gold, spends all of it in a day (or two) drinking and eating with the whole town. The miner wakes up the next day to find himself back where he started from and must go back to his toilsome work. Others also spend it with things, particularly with Levi's jeans.

In reality, the chances of catching a big break are very low. As what people say, it is only reserved to the lucky few who are destined for it. Many more are just living on a hand-to-mouth basis, getting just enough to attend their basic needs. But the stories of other people's luck are enough for many to take their chances and get old dreaming for a big catch.

Even in ACMP, not all mine-contractors are having good produce. Many just break even from their expenses. There are those who did not renew their contracts and their areas were offered to the other mine-contractors. But most of them have fine produce and few others have better than fine. Correspondingly, in the case of mine-workers, not all of them earn the equal amounts even if they are working for the same mine-contractors.

Mine-workers work in groups. Each group are assigned different areas within the Contract Area of the mine-contractors. The areas they work on differ in the quality of ores that can be extracted. Some have a streak of luck and earn more than they expected and others have it worse and get buried in debts. The mine-workers tend to be cliquish, especially the

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<sup>&</sup>lt;sup>1</sup> Visayas is one of the three major geographical divisions of the Philippines. The other two are Luzon and Mindanao. The Cordillera Administrative Region is located on the northern part of Luzon, which, in turn, is north of Visayas. Mindanao is the southernmost island.

ones who are getting more profitable produce. Welcoming a new mine-worker in their group can cause tension between the mine-worker and mine-contractor. That is why mine-contractors seldom assign newly recruited mine-workers in an old group. Newly recruited mine-workers are usually put in one group.

Each group has a team leader called the 'lead man.' A lead man is usually the most experienced miner and is responsible for the safety of his group. He makes sure they work the eight-hour shift as expected. He also checks if they are doing their work right and are digging in the right zone.

Mine-workers apply directly to the mine-contractors. If they are favoured by the mine-contractor, they need to go through and pass the Benguet Corporation's Safety, Monitoring and Legal departments. These involve presenting documents such as a birth certificate, police clearance, etc. Getting these documents is considered by many mine-contractors and mine-workers tedious work as it involves dealing with various government agencies. Mine-contractors joke about how the requirements for the mine-workers are like going abroad for work. The mine-contractors go through the process with the mine-workers as the latter, especially migrants, may not be familiar with where to acquire the documents and because most applicants are illiterate and/ or naïve to such tasks if unsupervised.

Anyone who is of legal age (18 years old) to work can apply as a mine-worker but some deliberately lie about their age to get in.<sup>1</sup> One mine-worker admitted that he had lied about being 18 years old when he started in 2009; he was only 17 at the time. His mine-contractor did not find out until after a year later when he had already reached the legal age to work. There are many who lie about their information to get in. It is one of the main reasons why the hiring process has become stricter and more legal documents are being required from the mine-workers. One main concern is security. Many of the residents have been worried about strangers coming to work as mine-workers, either in ACMP or in other personal small-scale mining activities in the area. There have been reports of fugitives and criminals hiding in Acupan, and well as other mining areas in Itogon. They find it easy to earn money to get

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<sup>&</sup>lt;sup>1</sup> Mr. Solano pointed out that 18 years old are allowed to work on the surface but a miner must be 21 years old to be allowed to work underground.

by in mining areas. Some of them apply as mine-workers of ACMP. The increasing incidents of burglary that sometimes include homicide are increasing, particularly among miners who made it big. During my fieldwork, one of the mine-contractors was kidnapped, although it did not happen in Itogon but his house in a different province, and held for a few days. He was released after the ransom was given. The suspect was believed to be known by the mine-contractor who might have worked for him once. The suspicion that the mine-contractor knew the suspect is borne from the coincidence of the incident because at that time mine-contractor's group are 'cooking' their produce, which was said to be of big value.

After the incident, the mine-workers were discussing during their meeting that they should end it before it gets dark. They all acknowledge that travelling late at night should be avoided. Some have hushed discussions about how the security concerns in the area are getting worse. They would reminisce about the earlier days when they can leave their houses unlocked. Now, even locking them is no longer a guarantee that you will be safe.

The stricter process of hiring mine-workers does not guarantee upright law-abiding applicants but it was a good start to address the issue. Mine-contractors moan about the tediousness of the process but, in the end, they do it because they recognise its importance.

Despite the proof of legal recognition required of the mine-workers, the mine-workers do not 'exist' in the ACMP, at least in legal terms. The ACMP contracts only recognise the mine-contractors and Benguet Corporation. The MGB is not a signatory of the contract but is an *ipso facto* part of the partnership as the state agency that is responsible for mining. The miners referred to in the ACMP agreement are the mine-contractors. Thus, as far as Benguet Corporation is concerned, the mine-workers are non-existent. They exist for and are under the responsibility of the mine-contractors. Furthermore, the agreement between mine-worker and mine-contractor is informal and usually in the form of oral contract.

Interestingly, the mine-workers (non-)existence and work arrangement gives them relative independence and mobility. It is common for mine-workers to just abandon their work and/ or move to a different mine-contractor. All mine-contractors have encountered mine-workers leaving without a word or warning after only staying for less than a month. They,

however, could not do anything about it because the mine-workers are not bound by any legal document. The mine-contractors complain about having lost their money to mine-contractors who do not stay on longer than four to six months. Mine-contractors pay for the expenses of the mine-workers from the application process, accommodation, food to their personal equipment like skull guard, headlamps, etc. but these expenses will eventually be deducted from the mine-worker's earnings. If the mine-worker does not stay long enough until the end of the mining process or until they get a profitable yield then these are not paid back. It was perplexing to hear that mine-contractors do not address this concern more firmly. It is unusual for an 'employer' to be relaxed with his/her 'employees,' particularly if the actions of the employees are costing them and disrupting the work. I pressed one of the mine-contractors about such nonchalance on their part about the matter. I was unsuccessful of getting a clearer response as she quipped, "Well, you cannot tie them now can you?"

Identifying the roles of the actors in ACMP lays down the scales within its structure. Benguet Corporation has no and does not need to directly control the mine-workers. Correspondingly, the mine-workers only need to deal with their mine-contractors. The mine-contractors, however, bridges the two actors and needs to deal with both of them.

Benguet Corporation and the mine-workers seem to be disconnected but should Benguet Corporation decide to suspend operation then the mine-workers will be out of work. Similarly, if the mine-workers agree to boycott then Benguet Corporation will deal with economic and socio-political concerns that could arise from it. As for the mine-contractors, Benguet Corporation could have remained closed without the capital poured in by them. It will not have the jump-start it needs to revive its remaining energy.

## Detailing the partnership and hierarchy within: mining process and sharing arrangement

Because small-scale mining involves laborious manual work, it employs ten times more people compared to large-scale mining (IIED 2013). The number of people required to do the task is one of the features of small-scale mining that differentiates it from large-scale mining. It is also why it hailed for its potential to be an effective livelihood project, an

initiative tied to poverty alleviation frameworks (Hentschel, et. al. 2003). It produces eighty-five per cent of the world's gem stones and twenty to twenty-five per cent of gold (IIED 2013). But, at least for mining, it is also responsible for the largest releases of mercury pollution in the world, which is approximately 400 metric tons of airborne elemental mercury each year (EPA 2014). In agreement to the claims of Benguet Corporation, a local government official responsible for environment concern in Itogon said the company no longer use mercury. But he noted that he cannot guarantee with other small-scale mining activities in the area although, he added, most them do not use mercury.

The more common gold-processing techniques used, which is also what Benguet Corporation employs, involve cyanide digestion then precipitation with zinc dust or with activated carbon. For other small-scale miners, the general method of gold recovery is by a gravity-concentration process using pans and sluice boxes.

Miners and mine-engineers I had conversations with explained that small-scale or large-scale mining use the same method of cyanide digestion. What sets them apart is the scale of area covered and the equipment used. Large-scale mining uses heavier equipment in extraction while small-scale relies more on manpower. Correspondingly, in Philippine mining legal frameworks, the maximum contract area allowed for small-scale mining is 20 hectares (from Republic Act 1076: People's Small-scale Mining Act of 1991) while large-scale mining is 1000 meridional block onshore and 4000 meridional block (from Republic Act 7942: Mining Act of 1995). <sup>1</sup>

ACMP blurs these distinctions of small- and large-scale mining. It is working under the ECC of Benguet Corporation as a large-scale mining, which means the contract area involved is in a large-scale but the methods applied is small-scale in nature, at least in terms of initial extraction. In ACMP, the mine-workers still use simpler tools to get ores from the earth.

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<sup>&</sup>lt;sup>1</sup> Under this Act, the Philippine territory and its exclusive economic zone are divided into meridional blocks of one-half (1/2) minute of latitude and one-half (1/2) minute of longitude containing approximately 81 hectares (Section 13 of RA 7942)



The men 'cook' the processed ores in one of the rooms in Benguet Corporation's facility.

Both the main tunnels in L-2000 and L-1500 felt like of the same diameter but both makes one feel claustrophobic, at least that is what I felt. It was dark and air feels clammy. The only light will come from one's headlamp but there is also the occasional tram or truck that gives brightness as it passes through the main tunnel. The main tunnels have many branches and along the main tunnel way are holes. Some big enough that you can walk through them straight up. Others are narrow and low. I have to crawl my way in. As I make my way in through the narrow hole, it opens up to a wider space that provides better head room while standing. It was the initial steps of the operation stage. It is where mine-

<sup>&</sup>lt;sup>1</sup> A mining cycle, also referred to as life of a mine, has four stages:

<sup>(1)</sup> exploration: The main objective here is to search for a new source of minerals. It may be "grassroots," "brownfield" or on-mine-site exploration. "Grassroots" exploration is when a mining company seeks for ore deposits in areas where mineral or metal has not been found before. "Brownfield" exploration involves the search for additional deposits near a known mine, and lastly, on-the-site exploration is when a company intends to expand a mineral resource that has already been found and developed on the property of an existing mine.

<sup>(2)</sup> mine development: the mining stage where the potential value of a mineral deposit is determined and assessed if it can be profitable for the mining company and the community. It involves collecting more technical, environmental and socio-economic data to increase the company's knowledge of the resources, which means more samples, mo:re drill holes and more field tests and developing the mine plan and infrastructure.

<sup>(3)</sup> mine operation: involves the process of producing a mineral product for the benefit of society, stakeholders and shareholders. Mine operation can either be through underground or open pit. It has four main work areas namely excavation, processing plant, waste storage and supporting services.

<sup>(4)</sup> mine closure defined as the orderly, safe and environmentally sound conversion of an operating mine to a closed state. Ideally, the government must first approve of the mine closure plan, which is done through consultations and discussions of all stakeholders, before mine development starts. Mine closure can take from

workers take out rough ores to be put in sacks, collected and hauled over to the processing facility. For mine-contractors with Contract Areas located in L-2000, hauling involves a four-kilometre trip.

When the ores have been hauled out by the mine-workers, the minecontractors cue them to the Benguet Corporation's processing facility. The mine-contractors watch over their ores until it is processed into gold. Other times, they send their mine-workers as representatives to watch over for them. The end product is given its value, which depends on the selling price of gold at that time. The price is based on the international market as broadcast in Philippine Stock Exchange. ΑII minecontractors never doubted the exchange rate of Benguet



One of the many other tiny holes along the main tunnel that serves as entrance to a work area

Corporation for, they said, it is always honestly based on the news (i.e. Philippine national newspapers). It is important to point out that mine-contractors can opt to have Benguet Corporation hold on to their produce if they deem the gold exchange rate at that time is not a good one or if they believe the price will get higher. But they can only have it held at some point and hope that the odds will be in their favour. Either way, Benguet Corporation does not lose or win because all the expenses in the mining operation are handled by the mine-contractors.

up to 2-10 years but others may take decades before the closure can be considered complete. [The MMSD Project writes that this stage requires defining desired end-of-life environmental, social, and economic conditions; identifying the resources required to achieve them; and clearly allocating roles and responsibilities of each of the actors. There needs to be a focus on sustaining benefits in areas such as housing, community health, and education] (from the Mining Information Kit for Aboriginal Communities 2006).

Benguet Corporation, aside from owning the land, securing permits and payment of real property taxes, has invested on the development and rehabilitation of the main accesses in the underground. In addition, they have constructed the plants for crushing, grinding, and the carbon-in-leach<sup>1</sup>/ carbon-in-pulp<sup>2</sup> application and prepared the tailings pond where the mill tails will be impounded. All operational expenses like 'salary' of mine-workers, equipment used are either rented from Benguet Corporation or provided by the mine-contractors, and materials such as explosives, timber, hauling trucks etc. are the mine-workers' responsibility. The rent of all equipment used including the electricity consumed for these equipment is deducted from the amount of the mine-contractors' produce. Moreover, the environmental and mining safety standards set and checked by the MGB are also left for the mine-contractors to address. Further, since mine-workers are non-existent to Benguet Corporation, their social welfare is the mine-contractors' responsibility. Some of the health and safety concerns that could be encountered of the mine-workers are handled by the mine-contractors.

This makes the ACMP sharing arrangement of 60-40, i.e. the contractors get sixty per cent and Benguet Corporation gets forty per cent, a crafty scheme. At first glance, based on the 60-40 sharing arrangement, the relationship of the actors within the ACMP seem fair but behind those numbers are details that are incongruent to what the numbers seem to imply. ACMP was more of a strategic and cheaper move for Benguet Corporation to continue its operation without coming up with the necessary capital for operational expenses than a livelihood project for the locals.

Correspondingly, the relationship of the mine-workers and mine-contractors are not different from the Benguet Corporations' and mine-contractors' relationship. From the mine-workers' sixty per cent, forty-five goes to the mine-workers. But like the mine-contractors to Benguet Corporation, they are responsible for their own 'basic' needs. All the expenses incurred from application process until they start working will be deducted from

<sup>&</sup>lt;sup>1</sup> A recovery process in which a slurry of gold ore, carbon granules and cyanide are mixed together. The cyanide dissolves the gold content and the gold is absorbed on the carbon; the carbon is subsequently separated from the slurry for further gold removal. (<a href="http://www.kinross.com/investor-centre/glossary.aspx">http://www.kinross.com/investor-centre/glossary.aspx</a>)

<sup>&</sup>lt;sup>2</sup> Similar to carbon-in-leach process, but initially the slurry is subjected to cyanide leaching in separate tanks followed by carbon-in-pulp. Carbon-in-leach is a simultaneous process. (<a href="http://www.kinross.com/investor-centre/glossary.aspx">http://www.kinross.com/investor-centre/glossary.aspx</a>)

their share. The food and accommodation that are provided including their basic mining gear (i.e. skull guard, industrial boots, and headlamp) are considered expenses. But some mine-workers are able to save and/or team up that they have the means to not totally depend from their mine-contractors. They can provide for their own food and accommodation, which can be cheaper compared to the arbitrary pricing of mine-contractors. At other times, when mine-contractors find themselves short of funds, they offer part of their Contract Area to them. The mine-contractors then leave all the expenses required to work on that part to the mine-contractors. The mine-workers will be paid back after the final processing. Also, some of them can fund for other equipment used in the operation and gain one more share of the original sharing arrangement. The equipment that is usually outsourced are the hauling truck and generator.<sup>1</sup>

The mine-workers who can or can eventually do this are called financer. The financer (and his team) gains a percentage more from their forty-five per cent. The sharing between the mine-contractor and mine-worker is not fixed and the division of shares in the forty-five per cent depends on their arrangement. Unlike the Benguet Corporation's forty per cent and the mine-contractor's fifteen per cent, the mine-worker's share is amorphous. What is important to point out is, despite the vagueness of their shares, many mine-workers were able to improve their economic situation. This is not, however, to generalise all mine-workers. Some mine-workers are not lucky. They spend most of their lives working hard and getting in deep debts as they wait for their luck to turn.

Within the scale of mine-worker and mine-contractor, the hierarchy between them can be blurred, at least in terms of their economic capacity. The mine-worker can independently work without the mine-contractor. Putatively, a mine-worker can be a mine-contractor if he wants to. But since there are no more areas open for new mine-contractors in ACMP, it is not possible. Even if Benguet Corporation managed to make the areas that were flooded due to 1991 earthquake accessible and open for bidding, mine-contractors are certain that Benguet Corporation will offer it to the current contractors first. If none of the current mine-contractors can bid for it, only then can Benguet Corporation open it to other people.

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<sup>&</sup>lt;sup>1</sup> Some mine-contractor provides their own generator for electricity to avoid using Benguet Corporation's.

It is then unlikely that mine-workers can be mine-contractors in ACMP. But the hierarchy between the mine-contractor and mine-worker is not only exemplified in having bettering one's economic level, it is also considered in its conceptual of sense.

To put it more clearly, the economic capacity can be fulfilled but the socio-political capacity to blur the notion of hierarchy is a requirement that is not easily met. Unlike the economic capacity, the socio-political capacity requires longer history, in this case deeper and longer relationship with Benguet Corporation. It is the condition that satisfies the other requirement mentioned earlier for mine-contractors, i.e. having connections inside Benguet Corporation. The symbolic value of position in the hierarchy can be traced on the paternalistic relations of the mine-worker and mine-contractor. Despite the possibility for economic independence of the mine-worker, the influence of his mine-contractor on this is



Mine-worker, Mr. Cadingpal, Jr., checks his work area

a notion that is not easily brushed off. Some mine-contractors would always refer to their mine-workers as 'their people' or imply that a certain mine-worker who has economically improved his life (and his family) is due to the mine-contractors' goodwill.

It is important to point out that the socio-political capacity can be fulfilled. I recognise that economic and socio-political capacities are interdependent and can influence each other. But in the case of the mineworkers, at this particular period in time, they do not have the

socio-political capacity to blur the intangible notion of hierarchy.

The hierarchical nature of the mine-contractor's and mine-worker's paternal relations is ambiguous. The material presence of hierarchy, which in this case, is represented by money/gold, can be blurred but the corporeal presence of the hierarchy requires longer period of time to blur and transgress.

In contrast, within the scale of Benguet Corporation and mine-contractors, most mine-contractors, as established in Chapter Two, do not want Benguet Corporation to be out of the picture. It is accepted that Benguet Corporation looms over as the paternal figure, which means the ambiguous presence of the hierarchy is a given fact and questioning it is not as important. Instead, it is more imperative for them to probe the nature of the partnership, i.e. the issue of equality in sharing the responsibilities involved in mining operation.

The label 'partnership' or the acknowledgement of its notion is advantageous to Benguet Corporation. The term implies equality in position and roles, thereby, in responsibilities but clearly that is not the case. It then makes the issue of mine-contractors regarding Benguet Corporation of passing on the supposed responsibilities of a mining company not an infringement to the partnership. All these responsibilities that are passed on are transformed into expected responsibilities of the mine-contractors as partners of Benguet Corporation. The mine-contractors then need to go around this notion to assert their demands, especially because the chance of adjusting the 60-40 sharing scheme is not plausible (at least, for the time being). This leaves the mine-contractors to assert their demand in other manner.

Having the opportunity to probe the limits and possibilities of balancing the partnership of Benguet Corporation and the mine-contractors is due to the relaxedness of their partnership. Their actions and/or strategies of negotiating their assertions are studied in next the chapter.

## <u>Synopsis</u>

This chapter particularly focused on the levels of power relations in the structure of ACMP. First is between Benguet Corporation and mine-contractor and the other is between mineworker and mine-contractor. Each of this level mirrors each other; first level reflecting like a microcosm of the second. Benguet Corporation serves as paternal figure for minecontractors and the community as a whole. Correspondingly, the mine-contractor and mine-worker have paternalistic relations. Benguet Corporation' paternalistic influence has wider scale and its roots involve long history that can be traced from the colonialism. Similarly, on the level of mine-contractor and mine-worker, the former is regarded as paternal figure whose influence on the economic improvement of their miner-workers, particularly those that catch a big break, is not forgotten, (at other times, emphasised). Thus, despite having the economic capacity to work independently, the mine-workers remains to be a paternal subject of their memories of the mine-contractors and the mineworkers themselves. Further, although the hierarchy between them, which, at first, is present because of difference in economic capacity can be transgressed and blurred but the notion of the hierarchy lingers. The fluidity of their hierarchical is better examined in relation to the ambiguity of the notion of hierarchy, i.e. its conceptual sense (represented by socio-political capacity) and its corporeal sense (materialised by money/gold), as discussed above.

Conversely, between the level of Benguet Corporation and mine-contractor, I argue that the hierarchy between them is not source of tension because Benguet Corporation is expected to be a paternal figure (see Chapter Two). Moreover, in terms of economic capacity, the mine-contractors are aware that Benguet Corporation will not have been capable of opening without them. The mine-contractors' concern then is more about the issue equal sharing of responsibilities. It is about the nature of partnership they have with Benguet Corporation and the supposed equality the relationship should entail.

This chapter realised the ambiguity of the fluidity of hierarchy between the level of mine-contractors and mine-workers and the complexity of equality in partnership between Benguet Corporation and mine-contractors. The actions and strategies of the actors in getting around the power relations that exist in each level are the focus of the next chapter.

#### **CHAPTER FOUR**

Digging deeper underground: understanding actions, strategies, intentions, and motivations

In this world, there is no absolute good, no absolute evil," the man said. "Good and evil are not fixed, stable entities, but are continually trading places. A good may be transformed into an evil in the next second. And vice versa. Such was the way of the world that Dostoevsky depicted in The Brothers Karamazov. The most important thing is to maintain the balance between the constantly moving good and evil. If you lean too much in either direction, it becomes difficult to maintain actual morals.

"1Q84"
Haruki Murakami

# Setting up the frame: updated practice theory

This chapter is focused on grasping the actions of the actors, particularly the reaction of the paternal subjects to the paternal figure in each level. It expounds the levels and scales of paternal influence and connection of all actors with each other. I turn to practice theory, particularly Ortner's (2006) *updated* practice theory, to understand the complexities and ambiguity in them.

Ortner (2006) first points out how practice theory resolved the constraints of three major paradigms in social sciences in late 1970s, i.e. interpretive anthropology, political economy and structuralism (Ortner 2006:1). She discusses how these paradigms somehow tend to put emphasis on the oppositional relationship between structural constraints of society and culture or cultural practices. However, despite practice theory's recognition of the dialectical rather than oppositional relationship of structure and culture, Ortner (2006) believes it can still be improved. She posited it can be improved in three major areas, namely: power shift, historic turn and (re)interpretation of culture. She highlights an understanding of agents in consideration of power in its structural and situational forms, which revolve within a particular historical and cultural context. Her study highlights actions arranged around the axis of domination and resistance but not disregarding a person's, subjectivity i.e. desires, courses of action, personal motivations, fears etc. (Ortner 206:60).

Further, Ortner (2006) points out that the concept of agency should be understood in terms of power and projects. She posited that agency-in-the-sense-of-power and agency-in-the-sense-of- (the pursuit of)-projects. The first is arranged around the axis of domination and resistance, which of course is defined to a great extent by the terms of the dominant party (2006:145). The latter, on the other hand, is defined by the local logic of the good and the desirable and how to pursue them (2006:145). She does not categorise agency within these two lenses. Instead, she argues that the concept of agency should be analysed beyond the limited spectrum of conscious and unconscious, i.e. intentional and routinary inadvertent actions. She writes:

[T]here is not some hard and fast boundary between them; rather there is a kind of continuum between routine practices that proceed with little reflection and planning, and agentive acts that intervene in the world with something in mind (or in heart). But it seems worthwhile to try to maintain the distinction that defines the two ends of the spectrum (2006:136).

Simply put, Ortner (2006) argues that an agent should be understood in terms of power and projects. Her argument directs us to analyse concept of agency beyond the limited spectrum of conscious and unconscious. Agency is neither fully rationale and precise nor emotionally-driven and spontaneous. Further, cultural practices, which have and continuously evolve through time, are not without subjectivity. Ortner's concepts on agency direct us to problematize on the resistance/domination dialectics and warn us not to romanticise resistance.

## Negotiating equality: Benguet Corporation and mine-contractors

Mine-contractors are aware of the financial state of Benguet Corporation. As one of the mine-contractors pointed out certainly, "They [Benguet Corporation] are in deep debt! I know their story." He is one of the first mine-contractors in ACMP. He was given priority as he is one of the claimants of the land surface where Benguet Corporation's facilities stand. His clan had leased it to Benguet Corporation. After a long court battle, with him as the

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<sup>&</sup>lt;sup>1</sup> In some areas, Benguet Corporation does not own all parts of the land. It has rights on the minerals (i.e. underground) but not on the land surface.

forerunner for his clan, he managed to prove their claim on the land. Since then Benguet Corporation has been paying him the lease of his clan's land. His gesture reflects pride in his achievement, which his peers view in both admiration and disdain.

Although the other mine-contractors do not have that kind of leverage, they, too, are aware that they can pressure Benguet Corporation to assert their demands. It is the main reason why they thought of creating an association. The association, however, is not effective as each of the mine-contractors are in competition with each other in gaining the favour of Benguet Corporation.

Before ACMP's agreement on the sharing scheme was finalised, the would-be mine-contractors staged a demonstration. They barricaded the way to Benguet Corporation's office and threatened to stay there until the company agrees to 70-30 sharing. But the demonstration failed to pressure Benguet Corporation when one of them sneaked through the barricade and went on to sign the agreement. The incident has marred the possibility of trust among the mine-contractors. It reflects the persistence of paternalistic authority of Benguet Corporation as the mine-contractors saw the company as an ally, a source of economic possibility, more than their co-mine-workers. Moreover, it has fortified the superior position of Benguet Corporation in the partnership. The incident was an opportunity for the company to realise that the mine-contractors are not in agreement with each other and can be dealt with individually.

The negotiation of equality in the partnership is an individual endeavour for the mineworkers. The most common strategy of negotiation is giving gifts to the 'right' people or representatives of Benguet Corporation including representatives of MGB. It is common for mine-contractors to give gifts of gratitude to the 'right' people in instances of more than good yield.

Their strategy, which I would term as subtle gestures of "covert buying-off," is inconspicuous and this is more effective for them as it avoids direct confrontations. They still believe in the potential of asserting their demands as a group and resorting to more obvious manner of negotiating skills risk them of contempt from their peers. Also, the

covert manner of influence/manipulation prevents the action from being directly considered bribery.

The mine-contractors meet weekly with Benguet Corporation to discuss any issues and concerns. But I heard more of their issues and concerns raised in hushed low voices only loud enough for the person next to them can hear despite the representative pressing them to raise any issues. One time one of them spoke loud enough to be heard by everybody and said, "Our concerns are not being heard anyway. What's the point of raising it?" The representative of Benguet Corporation replied, "That's not fair. We do try to address them but might take time."

The conversation reflects relaxed relationship and implies a sense of equality, at least in terms of having both parties to raise their concerns. Having the concerns addressed, however, reveal an imbalanced relationship.

Reviewed in the resistance/domination dialectics, the negotiation strategy of the mine-workers cannot be considered resistance per se. It does not aim for Benguet Corporation removed or diminished. It does not intend to change the status quo in terms of structural arrangement as the mine-workers find it unnecessary. Their strategies are driven on a personal project, i.e. to be in good relation with Benguet Corporation. Despite their capability and knowledge of that capability to pressure Benguet Corporation, they do not act on it as each has its own motivations and desires. Nevertheless, it would be inappropriate to not view their strategy as an attempt to challenge the inequality in the partnership. Therein lies the complexity, for their actions could neither change the power relations nor maintain it; neither resistance nor subservience.

The mine-contractors capture Ortner's (2006) concept of agency in terms of power and projects. The mine-workers subtle covert gestures are intentional and conscious. Each of them aims to assert their claims to Benguet Corporation. Their action is primarily personally driven, which is not necessarily disadvantageous for the other mine-contractors. But it is definitely a play around the idea of influencing Benguet Corporation.

## <u>Transgressing the corporeal sense of hierarchy: mine-contractors and mine-workers</u>

Mine-contractors have known of stories or even have known of their miners sneaking gold from them. Unlike the incidents of actual robbing happening in the roads, however, the sneaking of gold does not seem fall under the category of outright breach of contract or to be immediately considered an illegal act. As one of the long-time miners put it, "it is not stealing if you take *paltek*<sup>1</sup> inside the tunnel. But if you take it inside the mill then that is stealing." It does not mean that such acts are accepted. Otherwise there is no point of sneaking it or concealing the act.

One of the mine-contractor shared that finding *paltek*, which they also translate as 'free gold,' is one of the common reason of misunderstandings of mine-contractors with their miner-workers. 'Free gold' is termed as such because it no longer needs to be processed. It can directly go to heating process or, as they say it, "it can be cooked right away."

Many of the contractors have more or less the same version regarding miners who might have encountered *paltek*. They all think it is more likely that miners will sneak that and keep it to themselves, if not to their miner-group. All contractors who share their stories about this say it humorously but with slight disdain and bitterness, especially if the minerworkers will already be getting bigger cut on that round of sharing. Despite such ill feelings, contractors do not have harsh direct manner of addressing it. One contractor said in joking manner, "I'll just have to wait for the day to come when one of them come to me and say, 'I found *paltek*, Uncle. I'm sharing it with you.' That would be a good. What a miracle! But that's unlikely. What can one do? That is just the way it is with gold." This point of view is shared by most mine-contractors. They acknowledge that gold makes one's moral judgement capricious. They do not, however, let such acts slide just as easy.

Since it is hard to catch miner-workers red handed, contractors can only assume and suspect their miners of sneaking gold from them. This is also the main reason why mine-contractors cannot directly and immediately reprimand miners for they acknowledge that

<sup>&</sup>lt;sup>1</sup> It is an Ilocano term for gold nugget.

suspicion is not good enough reason to garner such reaction. Further, one cannot go to the police as there is no proof to implicate a suspected miner.

One of the main indications that the miners might have encountered *paltek* all too many times is when contractors notice a quick improvement in their lives. One of the mine-contractor shared that one of his miners is building a house somewhere in Baguio City. Another shared a story of her miner building two houses, with one almost finished, and the other meant for renting out. Others tell also of miner-workers owning houses and acquiring a car. All mine-contractors told me they have nothing against their miner-workers improving their lives but they could not accept is being cheated. It is then the sense of ungratefulness of the act that causes feeling of disdain, aside from the more simple terms of being robbed. Reviewed in paternalistic context, the act is an insult to their goodwill.

Mine-contractors are wary of directly apprehending them and immediately removing them. There is an incident where a miner went to Department of Labour and Employment (DOLE)<sup>1</sup> and reported the matter. The miner-worker sued the mine-contractor and Benguet Corporation and he won the case. The miner still works but under a different mine-contractor. Since then, there have been many cases where miners seek support from DOLE. Going to DOLE has become leverage to miners. More often than not, DOLE supports the side of the labourers and this had made the miners more confident with dealings towards contractors.

A mine-contractor said one of the best ways to deal with this situation is to play a mind game. He said he would befriend friends of a suspected miner-worker and casually ask them of their own situation, particularly in economic terms. He would then tease these friends and make them reflect on their situation to the suspected miner-worker. He revealed it is highly likely that the suspected mine-worker friends will keep watch at his friend and soon give information.

<sup>1</sup> DOLE is the executive department of the Philippine government that is responsible for issues and concerns pertaining to labor and employment.

Benguet Corporation has also no direct action on the matter aside from requiring legal documents that are meant to guarantee a person's goodwill. A long-time mine-worker of Benguet Corporation shared that sneaking gold has been going on for years even during its heyday. Stories of miners inserting *paltek* to body orifices even to the areas you do not expect possible are known to many. Others also wash their hair with *linang* and rinse them at their home to collect the gold dust that clung to their hair. But he said devious acts are not as common compared to what is happening now with ACMP. But security measures then were also stricter.

Like the mine-contractors, Benguet Corporation as an institution cannot also go to the police unless they catch mine-workers on the act. Further, the issue concerns the mine-contractors more than the company as the mine-workers are under the responsibility of the mine-contactors. But Benguet Corporation is also affected if the mine-contractors are not

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A guard doing body search to miners going out of the tunnel.

having good production, which still makes them part of the issue.

Benguet Corporaiton, however, could only increase their security measures but with the financial state they are in that is not easily addressed. The most security strategy applied is requiring of identification card inside the premises, from the tunnel to the processing area. Another strategy is

conduct of body search when getting out of the tunnel. The guards manning the entrance of the tunnel need to search miners' things and conduct body search, particularly on the miners groin area.

One of the mine-contractors stated that some guards are actually involved in these acts of gold sneaking. Miner-workers befriend the guards and gauge the guard's sensibilities regarding getting involved in such activity. More often than not, guards immediately agree of being part of the activity and accept bribes from the miner-workers. These plans are not only limited to sneaking *paltek* from the tunnel. The processing area is another opportunity to sneak gold. It usually involves managing *linang*, which is separately reprocessed. As one the mine-contractor has termed, these activities make Benguet Corporation mafia-like. She thinks there are illegal dealings happening but none of the employees speak up about it; it is highly likely that they are involved in these devious activities one way or another. She said it has become a culture that addressing its roots would mean creating enemies, for she believes even some mine-contractors are involved.

Sneaking of gold can be considered an outright illegal act as it involves taking something that is not owned. But is definitely an opportunity for self-improvement for mine-workers. Most of the mine-workers see their selves working as miners as far as their body allows. But all of them hope a less tedious job and less precarious type of work for their children. They all value education and work hard to give their children a good one.

### **Synopsis**

Ortner's practice theory points us to look into the possibility of opening spaces for resistance as well as spaces for negotiation and assertion to pursue each of the actor's own personal agenda for self-improvement. Her notion of agency analysed in terms of concepts of projects and power is helpful in explaining my inquiries regarding the strategies for assertion and negotiation of the mine-contractors and mine-workers.

The strategies of the miners and contractors to assert and negotiate their claims are personally-driven and follow Ortner's (2006) the two-faces of agency. They are both means

for resistance but not the kind that attempts to change the status quo. They are more in pursuit of a project, i.e. personal improvement.

Ortner allows us to understand actions without disregarding the subjectivity involved in these actions. The agency should be recognised "as a form of intention and desire, as the pursuit of goals and the enactment of projects" (Ortner 2006:153). She puts emphasis on the how the agency revolves around the "fields of meaning" as actors pursue their goals. The pursuit of these goals, often times, requires subordination of others. Like the actors in ACMP, their interaction are in the dynamic context of domination/resistance (although, as argued in Chapter Three, the symbolic meaning of hierarchy is not easily transgressed compared to the corporeal sense of hierarchy, which I associated to money/gold). In agreement to Ortner (2006:153), the case study illustrates domination and resistance "as always in the service of projects, of being allowed or empowered to pursue culturally meaningful goals and ends, whether for good or for ill."

#### **CHAPTER FIVE**

#### Conclusion

In many countries, mining is marred with human right abuse and political conflicts (Tabb 2007; Renner 2002) that is triggered by the issue of land rights and natural resource (mis)management. Further, most of these areas involve conflicts between mining companies and indigenous peoples (Godoy 1985; Ballard and Banks 2003). However, in my field (my community), despite a community of indigenous peoples, it is not in a violent relationship with state or with the mining company. I do not mean to disregard the past struggles in my community and/or continuing struggles in other places. But, as far as I (and my parents and the long-time residents interviewed) can remember, with Benguet Corporation, there have not been violent encounters. There were protests and demonstrations, particularly circa 1970s and 1980s but none are aggressive and vicious. My mother who has worked all her life with Benguet Corporation, told me she was in antimining demonstration, on the side of the company and was startled when she saw my father's aunt at the other side of the line. Their eyes met and retreated at the rear of the pack trying to hold their laughter for the irony of the situation they are in.

If anything, Benguet Corporation is remembered for the good times people had while working and living there. It was harmful to the environment but that was thought of as an inevitable part of mining. Further, stopping mining, both Benguet Corporation and small-scale mining, would be unimaginable for most people. People regret the loss of mountains and rivers and they know that mining is the main cause. They know mining is not sustainable at all. But ending it now is out of the question.

These contradicting realities have been bothering me since common sense, ideology and sensibilities caught me. But as illustrated and argued above, mining, including the actions of the people towards it cannot be judged in terms of binary oppositions of pro- anti and/ or good vs. evil. Doing that misses the complexities and paradox within and between these opposite poles. The support for mining in Itogon (which is probably shared by the rest of Benguet province) can be rooted from pragmatism and sentimentality, which may not always be rational but not completely irrational either.

#### **PROLOGUE**

Having worked with various social development projects, I find it important to present the result to all stakeholders, especially to the people whom the development initiative is directed, and ask for feedback. It is important to incorporate their feedback and settle disagreements, or at least, to agree to disagree in some details of the results, especially if the data gathered really points to the detail they disagree on. This practice/training is part of check and balance to the monitoring and evaluation report and as a learning experience on my part. This is why I find it imperative to ask for comments and feedback from the actors involved in my study. I managed to get comments from Benguet Corporation. I already expected that Benguet Corporation would be keener in knowing how I (re)presented them in my study, which was exemplified to the friendly reminder I got from one their employees.

Before acquiring the permit to go inside the tunnels and processing area (see Appendix 2), Engr. Jacob Melecio who is in-charge of the ACMP asked me where I am taking my studies. He was relieved that I was not taking my masters in the same university where I took my bachelor's, which has a stereotype of being radical and blindly leftist. He was still a bit worried, however, because Netherlands are known to some as the 'home' of the 'founder' of the Communist Party in the Philippines and as headquarters for NGOs like Greenpeace and Friends of the Earth, which are not huge fans of mining. As he was signing the permit, he gave me a friendly warning and said, "Be mindful of what you write, okay?" I assured him I will present only what is revealed by the data I will gather and told him he is welcome to read and comment once I have a decent draft.

I have not gotten a direct reply from Engr. Melecio but, as I have specified above, Mr. Solano, legal manager of Benguet Corporation, has obliged me with his thoughts (see Appendix 1). His letter focused more on some of the basic facts in my study and in stating their side of the story in the demonstration mentioned in Chapter 1. With regards to my viewpoints, he said "as to substance, that's yours *naman*, *trinabaho mo* and not for me to comment on" [translation: as to substance (i.e. my standpoint), that's is your opinion, that's how you analysed your (field)work here, and not for me to comment on]."

The mine-contractors and miner-workers on the other hand are individuals and reaching each of them from here is not going to be easy. Also, I need to be able to write a shorter version and make sure they can resonate with my text and allow them to give comments conscientiously. Nevertheless, I sent my draft to some of the mine-contractors who have email addresses but unfortunately I have not yet received a reply before I print the final version of this manuscript.

# **APPENDICES**

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Joy∎ Godio ≺joy.dc.godio@gmail.com≻

## THE SIS DRAFT godio

R; an Solano < rids@gvalico.com> Reply-To: Ryan Solano < rids@gvalico.com> To: Joy godio < joy.do.godio@gmail.com> Fri, Jan 16, 2015 at 5:19 AM

Hi.

Have gone through your thesis already, as to substance, that's yours naman, trinabaho mo and not for me to comment on. Just take note however, of the following:

- Tailings "pan": was this intended since ithink you are referring to the tailings pond, in technical terms Tailings Storage Facility;
- 2. MGB should be read as Mines and GeoSciences Bureau not "mining" which refirds in your thesis;
- 3. Just a correction, please see Intro:

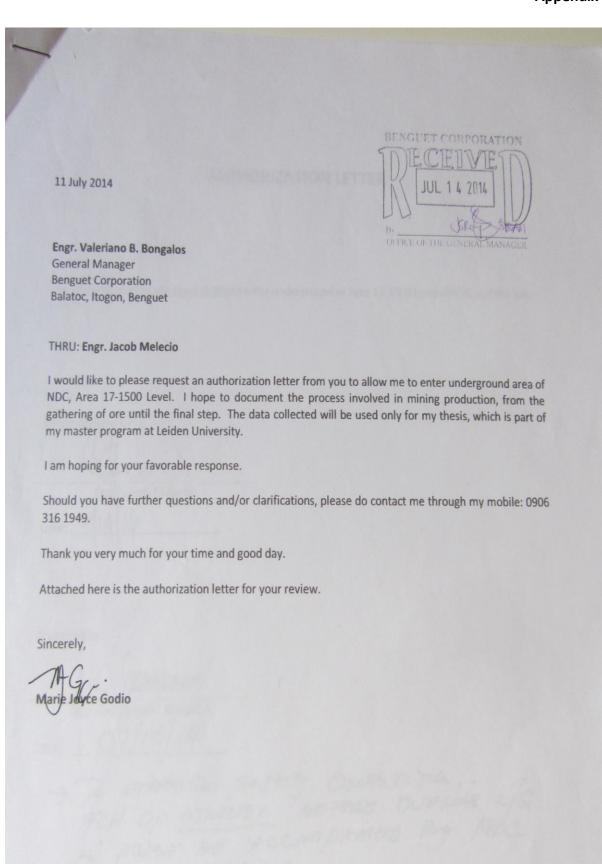
The main issue really would be "reimbursements in case TSF(Tailings Pond2) fails for all assessed properties which would likely be affected in case of a tailings pond incident/failure. Some, well if not most have been misled in the idea that the property assessment was meant for a preparation for property payments. Records would show, there is an original Memorandum of agreement that speaks otherwise. In states that in case of a contingency, there would arise a legal liability on the part of the company for the payment of the assessed value of the properties situated near it(dam);

- 4. Please see page 18, Re: Dr. Macalalad reports at the Company clinic thrice a week. MWF, not once a month; also, it is the company that pays for the gasoline of the company ambulance, not the contractors;
- Page 43, the year of engagement of a miner to be an underground worker is 21. An 18 year old is only considered, provided he works on the mine surface and not underground.

Ok. Good Luck.

RJD SOLANO

[Cuoled let I helden]



# **AUTHORIZATION LETTER**

This is to authorize Marie Joyce Godio to enter underground of Area 17-1500 Level of NDC and the area for CIP.

Recommended by:

Engr Jacob Melecio

Approved by:

TO UNDORGO SAFETY OPERATOR OF FILL OF WALVER BEFORE DUTING UGG FILL OF WALVER BEFORE DUTING UGG G' MUST BE YCCIMPAMED BY NOC GREGY OF FICTER

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