



Negotiating a new social contract for the extractive industries: what is the role of geoscientists?

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Public perceptions of the extractive industries are disconnected from their expectations of access to resources. Those in rich countries, particularly if they regard themselves as progressive and concerned with sustainability, tend to have strongly negative perceptions of the mining and hydrocarbons industries, and even to regard them as inherently wrong – but they nonetheless expect cheap energy, and do not question where the raw materials come from to make their smart phones. Meanwhile, many people in poorer countries are highly dependent on these industries for employment and economic development, but do not have equal access to the resources they produce, have less agency over decision-making regarding these industries, and disproportionately suffer their negative environmental and social impacts. The problems associated with (often profligate) use of resources in the industrialised world are therefore frequently ‘exported’ to parts of the world less able to cope with them – or to fight back.

Nonetheless, mining and hydrocarbons companies have long recognised that they cannot completely ignore these problems if they are to thrive. The concept of the ‘social licence to operate’ is well established, and recognises that if a company does not have some degree of support or at least acquiescence for its operations from host communities, it will be thwarted. Companies are also conscious that they are under increasing scrutiny from wider public audiences, and want to be seen to take seriously ideas of corporate and social responsibility (whether or not this represents real commitment).

Current traditional models of the ‘social licence to operate’ are flawed, and will not be fit for purpose as we face the global resource needs of the future – which will be quite different to those of the past. Social licence tends to be secured locally and case-by-case, and companies are often incentivised to take the minimum measures required, rather than to address more fundamental questions of economic, social and environmental sustainability. Global impacts are undervalued in comparison to local ones, and global injustices are not addressed.

The major IUGS initiative ‘Resourcing Future Generations’ provides an opportunity to identify and address the challenges that we will face in meeting future global resource needs sustainably. If these challenges are to be met, it will no longer be sufficient for companies to secure their ‘social licence to operate’ on a localised, case-by-case basis. Unless we take a holistic view of equitable access to resources, the wealth they generate and the associated social and environmental impacts, at a global, regional and local level, communities and commercial entities alike will suffer, and we will risk environmental catastrophe. This presentation will outline the need for a new social contract for resource extraction, involving companies, governments, civil society and communities at a global, regional and local level. It will also explore what role geoscientists should play in developing and implementing such a social contract.