



Minerals and Conflict Fact Sheet

Mining in fragile states increases the likelihood of violent insurgencies and increases their duration and intensity. Poor governance means that natural resource revenue that could be used to reduce aid dependency and fund development often fuels corruption and weakens governments instead. Driving greater accountability and transparency is important not just as a humanitarian concern, but for the national security of the United States and its allies. Better natural resource management lessens the likelihood of conflicts that result in US troop deployments or US financing of peacekeeping and enforcement missions, and reduces the risk of crime, terrorism and other spillover effects which can create instability on a regional scale.

In fragile states where minerals are present....

Wars last twice as long... And if rebels finance themselves from contraband (drugs or conflict minerals) they may last even longer than that. Minerals have played a significant part in the conflicts in Afghanistan (which has lasted more than 35 years) and the Democratic Republic of Congo (more than 15 years; more than 5 million civilian deaths).¹

...with double the number of combat deaths. Gemstone mining in conflict zones is associated with a doubling in the number of combat deaths, mostly due to these conflicts lasting longer.²

How do we know that it's the conflict minerals that are at fault? Because if the gemstones or hydrocarbons are outside of the conflict zone (even if in the same country), then the statistics for duration and casualties drop back to "normal" conflict levels.³

Poverty makes this worse. Less developed, lower income economies dependent on natural resources are 10 times more likely to experience a civil war; the higher the GDP per capita, the less likely that conflict will develop—rich countries with strong institutions don't seem to face the resource curse.⁴

It's especially a problem when there's a big disparity in wealth within a region. Conflict is 3 times more likely in severely deprived regions; it's particularly bad if there are very rich local powerbrokers and the rest of the populace is poor, since powerbrokers can use natural resource revenues to hire militias and arm them for relatively little money and it's fairly easy to mobilize their followers.⁵

What we can do about it...

There are a range of practical, realistic measures which can reduce the chances of minerals-induced conflict. Global Witness advocates:

- **Recognizing good governance of natural resources as a national security priority.**
- **Transparency – including publication of contracts, revenues, payments and production. Section 1504 of the Dodd-Frank Act, requiring publication of payments by companies to governments, is a useful step towards this.**
- **A requirement for companies to carry out basic due diligence on their supply chains.**
- **Publication of the true, beneficial ownership of companies and open contracting processes.**
- **Strong mechanisms for accountability, conflict resolution, and engagement of local communities in mineral-producing areas, including equitable sharing of revenues.**
- **Full, credible implementation of international standards – like the Extractive Industries Transparency Initiative and the Natural Resource Charter.⁶**

Strengthening transparency and accountability in the mining sectors of fragile states – and in US supply chains – decreases the likelihood and severity of conflicts and mitigates the threat of the ‘resource curse.’ Ultimately that is in the US interest, because it encourages genuine development and means the US will spend less blood and treasure overseas.

¹ James Fearon (May 2004), “Why Do Some Civil Wars Last so Much Longer than Others?” *Journal of Peace Research* 41:3, pp. 283-4 and Paivi Lujala (February 2009) “Deadly Combat Over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict,” *The Journal of Conflict Resolution* 53:1, pp. 51 & 62 and International Rescue Committee (2007) “Measuring Mortality in the Democratic Republic of Congo.” Available at http://www.rescue.org/sites/default/files/resource-file/IRC_DRCMortalityFacts.pdf. A 2007 IRC study estimated the violence since 1998 had led to 5.4 million deaths from conflict-related causes and its aftermath in the Democratic Republic of Congo.

² Paivi Lujala (February 2009) “Deadly Combat Over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict,” *The Journal of Conflict Resolution* 53:1, pp. 51 & 62.

³ Paivi Lujala (January 10, 2010), “The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources,” *Journal of Peace Research* 47:15, pp. 16.

⁴ Paivi Lujala (January 10, 2010), “The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources,” *Journal of Peace Research* 47:15, pp. 16, 21, 23 and World Bank (2011) *World Development Report 2011: Conflict, Security, and Development* (Washington, DC: World Bank), pg. 78.

⁵ Gudrun Ostby, Ragnhild Nordas, and Jan Ketil Rod (2009), “Regional Inequalities and Civil Conflict in Sub-Saharan Africa,” *International Studies Quarterly*, pg. 317-8.

⁶ Information on the Extractives Industry Transparency Initiative is available at <http://eiti.org/>; information on the Natural Resource Charter is available at <http://naturalresourcecharter.org/>.