

Beauty is in the eyes of the Deceived

The Diamond's Darkest Facets

By Angela Padilla

Eden was beautiful. Even God said it was good.

They had everything they needed to live comfortably, sustainably and abundantly. They had food and shelter and were free to live amongst the wild living creatures.

And they had each other; man and woman in a relationship where love was the centre and the circumference.

One day when Adam and Eve were revelling in the beauty of creation, delighting in the knowledge of their love for each other they came upon a tree to rest under its enveloping arms. As they sat under the tree's majestic branches, Eve looked upon a small blue box. A unique shade of blue, she thought. As Eve was about to reach for it, Adam quickly got down on his knees, picked up the box and presented it to Eve. Meanwhile, a serpent slithered beside Eve and began whispering in her ear, "A diamond is forever. It is the true symbol of love, beauty and eternity. It is your best friend."

In an instant, Eve opened the box and found herself looking into the most beautiful thing any woman can lay her eyes on—a deep, colourless diamond. Mesmerized by its sparkling beauty, she looked at Adam with a smile, and with his nod of approval she slipped this priceless six-prong diamond ring onto her delicate finger. As the coldness of the band seeped through her warm skin, Adam and Eve gazed into each other's eyes, but now with the knowledge of what they had lacked all along.

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The attraction to diamonds has tantalized both men and women for ages. Its hypnotic beauty has been a symbol of love and eternity, purity and elegance, and strength and endurance in countless cultures from ancient to modern.

The diamond also is appropriately, albeit uncommonly, symbolic of sin—a gem cursed with the terror of war and death, colonialism and unsolicited dominance, greed and rape.

The diamond's history has been tainted with guilt. The diamond has enraged and ignited conflict, fuelling wars and bloodshed. It has stirred up greed and unrest, funding anger and rebellion. It has shaken up cultures and threatened sustainable lifestyles. It has made pristine regions from Africa to Canada barren, encouraged wanton desires for wealth and power, and has broken dreams of children made to be warriors in their war stricken homes in Sierra Leone and Angola.

The first diamond likely was found in a riverbed in India thousands of years ago. For centuries possession of the diamond was limited to monarchs and the wealthy, but began to lose its elite allure upon discovery of extensive diamond deposits in the 18th century in Brazil and in the 19th century in Africa.

In the wake of the Great Depression, supplies of the diamond were peaking but the demand was plummeting. Unwilling to accept this dip in sales, De Beers, the largest diamond mining company in the world, commissioned the advertising firm N.W. Ayer to create a demand for this beautiful but otherwise function-free gem. Sales began to

increase but did not take off until 1947 when Frances Gerety of N.W. Ayer, in a moment of inspiration, created the slogan that changed the industry: "A Diamond is Forever."

By 1950, a mere three years after the introduction of the new De Beers slogan, about 80 percent of weddings in the USA were initiated with the groom bequeathing two months' salary for a diamond engagement ring. In the 1960s, this fifteen-year-old tradition graced Japan and the rest of Asia.

Some consider this excellent advertising, others exploitation. Since De Beers had been the sole vendor and beneficiary of 85-90 per cent of diamonds worldwide, they were able to sustain an inflated price. Unsuspecting lovers not only bought into what they were told was a beautiful symbol of their undying love, they also were supporting the relentless monopoly of De Beers.

The De Beers South African mining company has been the single most powerful force in the diamond industry for over a century. Their first mine was in South Africa, and quickly progressed to almost every continent from there.

De Beers originated when two diamond moguls, Barney Barnato and Cecil Rhodes consolidated companies after a fierce battle for stock ownership in 1888. It was not long after that when the company reflected the owners' shrewdness; its main policy was to control supply and to achieve this they would mine as many diamonds as possible, supplementing the inventory by purchasing and hoarding nearly every rough-cut diamond in the open market. This policy gave them the ability to stockpile, thereby controlling the price. The subsequent price-fixing scandal led to the US barring De Beers after WWII from dealing with the US market, the biggest diamond market in the world. Even today De Beers is not permitted to trade directly with the US but have to use middlemen twice removed from De Beers to enter the US market. As a South African company that lies outside of tough market regulations, it has been able to evade antitrust laws albeit under the watchful eyes of numerous business commissions in the European Union, other diamond companies, and the public.

Controversy peaked for the entire diamond industry with recent news surrounding human rights abuses and diamonds. Diamonds were found to have been the financial backbone, and at times the motivation, of civil wars in Sierra Leone, Angola and the Democratic Republic of Congo. These diamonds are appropriately coined "blood diamonds" or "conflict diamonds" because the revenue from these gems bought heavy artillery and arms to sustain extended periods of war. The industry claims that the volume of conflict diamonds is a mere four percent of the total annual production. In an industry that produces more than 120 million carats of rough diamonds with a wholesale market value of US\$7.5B, or US\$60B in retail, four percent is still enough to contribute to the deaths of three million Africans in these conflicts.

Between 1992 and 2001 Angola's rebel group, UNITA, sold an estimated US\$4 to 4.2B worth of rough diamonds, an amount that would have been a significant contribution towards eradicating poverty in Angola if managed appropriately. Instead, diamond sales have funded an insurgency that has forced families out of their homes, turned children into slaves or soldiers, and supplied massive amounts of artillery to rebel groups.

Blood diamonds are easily distributed because of the lack of monitoring or control in the diamond industry. Twenty percent of traded diamonds are stolen, smuggled or used to launder money or evade taxes. Illicit diamonds have been of great concern to governments, advocacy groups and diamond executives. In an effort to build a system to monitor the diamond industry and to rebuild public confidence, these concerned groups

introduced the Kimberley Process recently implemented on January 1, 2003.

The Kimberley Process is an international system guaranteeing that diamonds entering the world market are not blood or illicitly traded diamonds through certifying the source country of the diamond. This process of certification is a significant step in eliminating illicit diamonds from the market, but lacks monitoring powers, offering only a voluntary monitoring system, providing certification with no guarantees.

According to Ian Smillie, researcher of African diamonds and weapons for the Ottawa-based non-government organization Partnership Africa Canada, the reluctance to implement stronger monitoring capability is due to three things: cost, commercial confidentiality, and national sovereignty. From his perspective, none of these are adequate reasons to prevent mandatory monitoring. He claims that the cost of monitoring can be easily recovered with the value increase of a certified and guaranteed diamond. Monitoring does not mean providing commercially sensitive information to the public, but accountability and transparency. "Legitimate commercial transactions can remain confidential, but theft, smuggling, murder and terrorism cannot," offers Smillie. Transparency through monitoring is the very element that is needed to eliminate illicit diamond transactions from the world market, but industry heads are concerned that transparency may entail sharing legitimate trade secrets in order to thwart illegitimate ones.

The love-struck may find comfort knowing that the war stricken zones of Africa are not the only sources of diamonds. One of the world's largest diamond producers is in the Kimberley region in Western Australia, containing more diamonds than the entire known reserves of South Africa. Their mines produce the world's rarest coloured diamonds, as well as high-quality clear diamonds.

Yet these diamonds are not less contentious. Australian diamonds also are plagued with greed and colonialism. Janine Roberts, BBC producer and author, narrates her adventures in the world of the diamond industry in her book "Glitter and Greed." She found herself in Aboriginal communities in Australia, restricted-access De Beers mines in South Africa, the Fifth Avenue office of Maurice Tempelsman, one of the world's most influential diamond merchants, and the Aboriginal communities in Canada. As she uncovered the deep secrets that characterize this billion-dollar industry, she found herself to be a target in near-death encounters with the shady diamond cartel.

What she discovered in Australia was a guilty diamond industry. She found the diamond companies, together with the government, involved in discouraging West Australian Aborigines from claiming royalty rights for the diamond deposits discovered in an Aboriginal women's ancient sacred place. This incident points to one of the many poignant examples of the gross disregard of the government and the mining companies for sacred ceremonial objects and grounds.

Indeed, she found the curse of the gem. From the beginning of the diamond mining process, the burial grounds of the Aborigines of Noonkanbah Station were desecrated by RTZ, a British mining company, and AMAX, an oil company. The Noonkanbah people had not been against mining in the beginning, for they themselves had always mined for tool-stones and clays, but they asked that miners respect the spirit of the land and Aboriginal ancestral rights. The Aborigines received neither respect nor wealth for their land.

Instead they were faced with the impoverishment that came with the raping of their land. Roberts records in another book "Massacres to Mining: the colonization of Aboriginal Australia" that the health of the Aborigines quickly deteriorated after the

arrival of the mining industry into Northern Australia. Due to mining, Aborigines faced diminished supplies of food and clean water. To her dismay, she found one in four elders blinded by trachoma, a preventable cause of blindness caused by unsanitary conditions, and that “an Aboriginal mother in northern Australia in 1994 was 30 times more likely to die in childbirth than a white woman” and that her child was “three times more likely to die in the first year of life than the child of a white Australian.” It sounds eerily like the early colonization from many centuries ago. Although not instantaneous, this industry leads to the death of many of their people, of their land and their culture.

The diamond’s history thus far has been plagued with greed and bloodshed. Hence, the diamond industry was quick to celebrate the discovery of rich, high-quality deposits in the Canadian Shield in the early 1990s. Vowing not to follow in the footsteps of the industry’s predecessors, stringent mining practices were imposed, from Aboriginal involvement to environmental assessment. The Canadian diamond brought hope of a socially responsible diamond that would redeem the industry and break the De Beers monopoly. However even with the purest of intentions, the diamond’s curse proves it to be a long way from a guilt-free gem.

Broken Hill Propriety Co. Ltd. (BHP) Billiton, an Australian diamond mining company, and Dia Met Minerals Ltd., the original discoverers of the diamonds in the Northwest Territories began mining in October 1998. Roads, mining camps, and other infrastructure were built before the opening of the first mine, the Ekati. Years of planning poured into the Ekati. Negotiations with the federal government and the territorial government regarding the people and the fragile ecosystem were in process many years before production had commenced. Numerous agencies and boards, including a significant environmental department in the mining company were formed to keep the mining industry accountable with their social and environmental impacts. Industry and government intended to do this right.

The Ekati has a projected life span of eighteen years. The first four years of production yielded annual sales of \$500M, a great economic boom for the North in providing jobs, business opportunities and tax revenue. However BHP and most of the other mining companies are multinationals reaping a profit, leaving Canada to reap peanuts in revenue.

In terms of acknowledging Aboriginal presence in the North, the industry has made extensive efforts to seek their wisdom and incorporate Traditional Knowledge (TK) in their mining practices. The government and industry presented their biggest selling points to the Aboriginal communities by guaranteeing thirty-three percent of employees to Northern Aborigines. Already we see the rhetoric of the Canadian diamond industry showing improvement from experiences in Africa where mutilations and displacement of families near the mines were conventional, or in Australia where the concerns of the Aborigines were secondary to the economic benefits for the whites.

However, a closer look may reveal new layers of unconsidered cost. Steve Fagan, an environmental assessment worker in the Ekati for two summers says that the mining lifestyle has had a considerable social impact on the Aboriginal communities. Work rotations are two weeks on and two weeks off. Since no families are welcome to live on the campsite, the workers are away from their homes for an equivalent of half the year. The Mackenzie Valley Environmental Impact Review Board (MVEIRD), a watchdog for the Northern region, notes that the rotation has caused added stress in families. Wives and partners are left at home to care for and rear their children; which inevitably results in a decline in involvement in cultural and traditional activities in the community. The

workers themselves feel isolated, not having opportunity for cultural practices in the camps.

Moreover, the job guarantee for the Aboriginal is employment in the lower-end jobs, with little opportunity for training for positions requiring more skill and responsibility.

Rhetoric about thorough environmental assessment also has eased the concern of environmental groups. Diversion of rivers, atmospheric pollution, water contamination, increased soil erosion and desertification of land, rendering it useless after exhausting the mine are some forms of environmental degradation seen in places like Angola. Mining companies in Canadian grounds are taking major steps to ensure that the waste is handled appropriately to eliminate leeching and soil erosion. Minimal disturbance to fish habitat is promised, with long-term plans of mitigation once the mine has closed. Wildlife is closely watched in order to record any unusual behaviour that might occur due to mining. However, these improvements to environmental monitoring and impact still are inadequate to ensure that the benefits of diamond mining outweigh the costs.

Little was known about the Northwest Territories' (NWT) pristine tundra at the time of the first mining proposal, claims Fritz Mueller, an environmental assessment biologist in the NWT at the time of the first proposals. The ecosystem's ability to recover from the mining's traumatizing practices was highly uncertain. The government also had no plan in place to manage the land, the prized 350,000 Bathurst caribou herd, grizzly bears and numerous lakes during the first mining claims, says Kevin O'Reilly, Research Director for Canadian Arctic Resources Committee (CARC), another public watchdog for the region.

More than ten years after the first claims, the Federal or Territorial governments still have no plans. With new mines scheduled to come into production in the next two years, frustration is only building in O'Reilly's end. With no framework for assessing cumulative effects and no political will or finances to do so, there are diminished expectations that O'Reilly's main concern, cumulative effects of the mines, will be addressed. Not only is the lack of knowledge disheartening, the absence of government effort also defers hope.

The real concern is the cumulative effects. What may seem to be small changes in isolated plant and wildlife communities may have paramount environmental backlashes. Current assessment efforts are necessary and commendable, but it does not indicate the thresholds for effect or what environmental impacts can be mitigated.

Having a physical footprint larger than the city of Yellowknife, the Ekati guarantees that the ecological footprint will be significant as well. With just one mine, the Independent Environmental Monitoring Agency (IEMA) has found major concerns with downstream changes and water quality to the Koala and King-Cujo watersheds. Oxygen levels critical for fish survival are low, and more nutrients and some metals were found in the water. Increasing salt levels in naturally salt-poor waters may lead to loss of plants and animal communities. The growth of activity has raised levels of dust and pollution in the area. One mine is not an imminent threat, but as more mines begin production, the loss of plants and wildlife becomes more apparent.

Close monitoring of the wildlife of the IEMA indicates that human activity is affecting the caribou herd, and possibly their migration patterns as well. Although no caribou from the herd of 350,000 has been hurt or killed directly due to the mine, a place once honoured with the presence of grazing caribou is now littered with noisy machines.

Sustainability may be the game plan of the government and the industry, but the

diamond's curse casts a dark shadow even on the purest intentions. Can dewatering lakes and diverting fish streams, tearing up the land and producing millions of tons of waste be environmentally sustainable? Is a life span of 16-20 years of mining economically sustainable? Does creating a mining camp 300 km away from the families and the nearest community encourage social sustainability? Digging holes in the tundra may be done well in a mere couple months, but naturally refilling the pit may take over two hundred years. Remediation plans are insufficient because uncertainty is the basis of decision-making. We can be certain though that the scars will remain on the land centuries after the last diamond mine in the NWT closes.

The initial sparkle of the Canadian diamond is not as pure as it seems to be. The reflection may seem pure and clear but behind and between the rays is a dark shadow. The Canadian diamond still falls short of the ideal diamond.

Throughout history the diamond has been a cursed gem. The original gem found in riverbeds has led to an industry perfectly cut to reflect greed, blood and conflict. Love and eternity, purity and elegance, strength and endurance have been marks of this diamond--love for money, everlasting negative impact on the environment, pure lust, enduring strength of greed, and fortitude of sinful indulgences.

When you look into the diamond, this time see the blood stains of the homeless and lifeless African children, the lost caribou or the spiritually gutted land of the Australian Aborigines. Look deep into the diamond and see eternity—the eternal curse of this beautiful gem.