



Avoiding the Resource Curse: Indigenous Communities and Canada's Oil Sands

BRENDA L. PARLEE*

University of Alberta, Edmonton, Canada

Summary. — Concerns about a resource curse in Canada have been raised in response to rapid growth in the petroleum sector in northern Alberta. In previous research, there has been little consideration of how symptoms of the resource curse are experienced and managed at a regional scale and by Indigenous communities. An analysis of effects and responses is offered using a natural, financial, human and social capitals framework. Without consideration of how to manage the symptoms of the resource curse, oil and gas activity is likely to further disadvantage Indigenous populations already living on the margins of Canadian society.
© 2015 The Author. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Key words — resource curse, natural resource management, Indigenous peoples, petroleum sector, economic development

The Chief of the Attawapiskat First Nation meets with the Grand Chief. “Sir,” he says, “I have got some good news and bad news.” The Grand Chief asks for the good news first and is told that the De Beers has just discovered diamonds near Attawapiskat. The Grand Chief is happy. He says, “Well, this is great. Hope for our youth. What could the bad news possibly be,” he asks the Attawapiskat Chief. The reply is, “The bad news is that De Beers have just discovered diamonds near Attawapiskat.” (Peerla, 2005).

1. INTRODUCTION

Indigenous communities in many parts of the world are socio-economically marginalized, a condition that has been recognized by numerous international covenants and declarations (Corntassel, 2012; Dahl, 2012; O’Faircheallaigh, 1998). Such poverty appears most paradoxical in resource rich regions of the world, including that of northern Alberta. Communities in such resource rich regions would seem best situated for economic opportunity and ‘development’, when compared to those in regions less well endowed. Evidence garnered over the last 30 years, however, suggests the inverse. Paradoxically, resource abundance, or economic dependence on natural resources, is associated with *slower* economic growth (Sachs & Warner, 2001). Although this pattern is most evidenced in parts of Africa and Latin America, this paradox of plenty has also been the subject of research in North America in the last decade (Kusel, 2001; Kwang-Koo, Marcouiller, & Deller, 2005; Leake, Adamowicz, & Boxall, 2006; Machlis & Force, 1988; Papyrakis & Gerlagh, 2004; Stedman, Parkins, & Beckley, 2005).

The resource curse is a problem most clearly defined by macroeconomic indicators such as inflation and national currency exchange rates (Sachs & Warner, 1995); however, its causes and symptoms are more complex. This paper discusses the resource curse theory and its applicability to a regional natural resource development scenario. Given that both the benefits and costs of large-scale resource development are differentially distributed, it would follow that some populations and regional economies may be more sensitive to symptoms and effects of the resource curse than others (Langton & Mazel, 2008). With this assumption in hand, the paper asks:

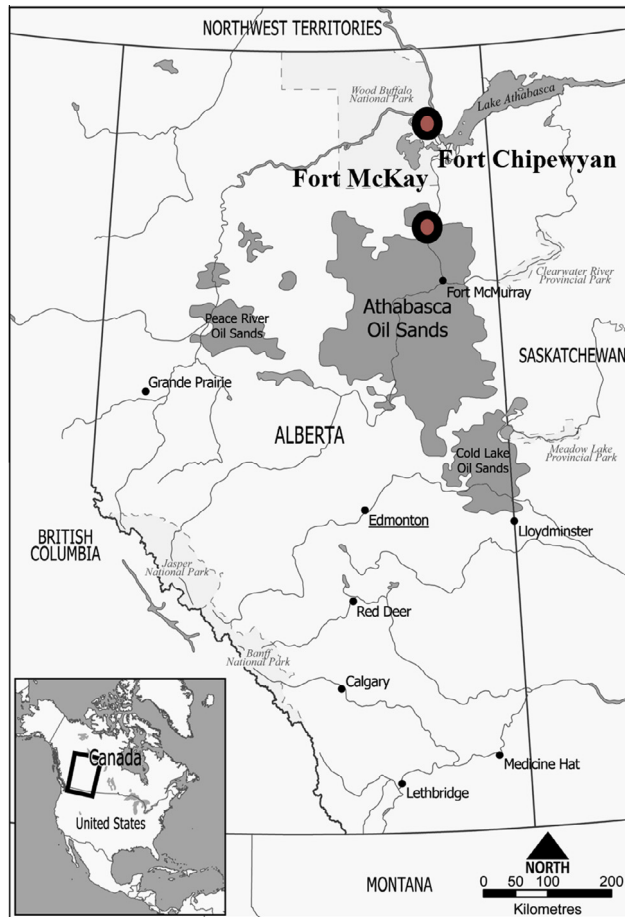
are Indigenous communities (First Nations and Métis) in northern Alberta vulnerable to the symptoms of the resource curse and what capacity do they have to address its effects?

Answering these questions for this paper, required consideration of the specific symptoms of the resource curse and their significance relative to the socio-economic histories and contemporary realities of Indigenous communities in Alberta, Canada. Ultimately, the aim was to better understand how First Nations and Métis communities can be *better off* as a result of the unprecedented resource development boom occurring in western Canada.

2. SETTING AND THEORETICAL FRAMEWORK

The oil sands are a major source of unconventional oil involving the mining and processing of bitumen (oil sands). Canada hosts the only major oil sands mining industry in the world; almost half of the country’s oil production comes from such mining in northern Alberta. There are three major bitumen deposits in northern Alberta – Athabasca, Cold Lake, and the Peace. The largest is the Athabasca deposit, which is located in the northeastern Alberta in the Regional Municipality of Wood Buffalo. Oil sands production from this area currently results in over two million barrels of oil per day. Production is expected to increase in coming decades. The provincial energy board, which regulates the industry, estimates that production will total 3.8 million barrels per day

*The paper was developed with guidance and support of Dr. Wiktor Adamowicz, and elders and leaders from the Treaty 8 region of Alberta and the Northwest Territories. The work could not have been carried out without the financial support of the Sustainable Forest Management Network, Resources and Sustainable Development in the Arctic (ReSDA), the Canadian Social Sciences and Humanities Research Council, University of Alberta, Faculty of Native Studies, Faculty of Agricultural, Life & Environmental Sciences (Canada) and the Canada Research Chair program. Particular thanks to the elders and communities of Mikisew Cree First Nation and Athabasca Chipewyan First Nation for their insights. Final revision accepted: March 21, 2015.



Study Area:
Oil Sands, Alberta

Figure 1. Oil sands regions of northern Alberta, Canada.

(1.39 billion barrels per year) by 2022 (Alberta Government, 2013).

The Athabasca oil sands have been in commercial production since the late 1960s with the largest projects led by Sunco, Syncrude and Shell Canada. Another nine projects were in operation in 2013 with the total area under operation calculated at over 5,000 km² (see Figure 1).

The area known to petroleum producers as the Athabasca Oil Sands, is part of the traditional territory of Dene and Cree First Nations – Mikisew Cree First Nation (pop. 2592), Athabasca Chipewyan First Nation (pop. 905), Fort McKay First Nation (pop. 668), Fort McMurray First Nation (pop. 621) and Chipewyan Prairie (pop. 718). While First Nations' reserves and Métis settlement areas comprise just over 5% of the land area, a much larger proportion of the land in the region was and continues to be used and occupied by First Nations and Métis peoples (Government of Alberta, 2013).

The boreal ecosystem of the Athabasca oil sands continues to be the socio-economic basis of subsistence and livelihood for these First Nations communities, as well as the foundation of cultural traditions and spiritual beliefs (Carter, 1999). However, oil sands mining has restricted their access to these land and resources. Industrial land leases surround most Aboriginal communities in the oil sands region, making it unsafe and difficult for harvesters to use those areas. Such leases create both physical and institutional barriers to resource practices such as hunting, fishing, and trapping, as well as plant harvesting. Little has been done to recover these areas; by

one government estimate, less than 1% of the roughly 50,000 km² mined by the largest leaseholders has been reclaimed (Government of Alberta, 2008).

Much of the debate about the impact and benefit of oil sands development in northern Alberta has rested upon its ecological effects.

As Alberta's economy has grown so has ecological degradation in the form of habitat loss, landscape fragmentation, pollution levels, species endangerment, etc. The major disturbances of oil and gas, forestry, and agriculture interact in complex ways; some of these disturbances are increasing exponentially (e.g., clear cut logging), may double soon or are widespread but little studied (Timoney & Lee, 2001, p. 387).

Questions about the health of water resources and the consequent effect on human health of the Mikisew Cree and Athabasca Chipewyan communities have drawn a great deal of public and celebrity attention (Chen, 2009; Kelly *et al.*, 2009). As told by Dene elder Pat Marcel from Fort Chipewyan, 'Oil sands development in the Athabasca region has had devastating effects on our people. We are afraid to drink the water or eat the fish from the river as we have always done. The fish have strange tumors, and cancer rates in our community have increased dramatically in the last 10 years' (Pat Marcel, in Holroyd, 2008, p. 30).

Those less concerned with ecological impacts have argued that there are other benefits that more than offset these environmental disturbances and losses to the province's stores of natural capital. Is this plausible? Numerous approaches to

Download English Version:

<https://daneshyari.com/en/article/7393665>

Download Persian Version:

<https://daneshyari.com/article/7393665>

[Daneshyari.com](https://daneshyari.com)