

## Working for sustainable development in primary industry

### Introduction

Anglo American works in the primary sector. This stage is involved with raw materials. It mines and extracts natural resources. It has operations in more than 60 countries. It mines for precious metals like platinum. It also extracts coal, base metals like iron ore and industrial materials like gravel. It is one of the world's largest firms in this sector.

The primary sector can be split into two types of resource:

- \* Those that can be renewed, if managed well. For instance, farming and fishing.
- \* Those that cannot be renewed, such as quarries, coal and metal.

Anglo American mainly works in the second part. It still tries to work in a sustainable way.

### Background

To be 'sustainable' means replacing stock as it is used. It means passing on the same stock of resources to future generations. The problem can be made worse as more countries become advanced as consequently they then increase their demand for raw materials. Also, many poorer countries need to extract raw materials to make money and to spark wider development. They can then use greater prosperity and higher tax revenues to create or increase other forms of capital, human (skills, education), social (community development and capacity building) and man-made (infrastructure) capital.

The United Nations has set out Millennium Development Goals for 2015. These include:

- \* getting people worldwide to work together on sustainability
- \* halving the number of people living on less than a dollar a day, or suffering from hunger
- \* making sure that all children complete primary schooling
- \* halting the spread of AIDS and other major diseases.

Anglo American believes that it contributes to all of these through its work in developing countries

### Stakeholders

Stakeholders are people or groups that have an interest in the success of a business. Not all have the same aims, so there can be conflicts. Anglo American has to look after its shareholders. It believes this is best achieved by taking into account the viewpoints of all its stakeholder groups. This includes the communities in which it works.

### Ethics

Ethics means to act in a way that is moral or 'right'. Anglo American shows that it is ethical in its 'Good Citizenship Business Principles'. This states how Anglo American can help each of its stakeholders by acting in a responsible and open way.

**The long term**

Anglo American believes it can be judged on 'how well it treats people and the environments and communities in which it operates'. To make sure it is treating people well, it uses three year Plans. These are set out and reviewed by local managers. It also adds to social capital (such as transport and schools) in the communities where it works. It also deals with local issues. For instance, it identified a real problem with AIDS in South Africa. To help Anglo American gave anti-AIDS drugs to its HIV workers. It also has a system to measure whether it is helping to replace what is taken in natural capital (like metals) with social capital (like schools, training and infrastructure), through the taxes it generates.

**Conclusion**

Anglo American extracts natural resources. Many of these cannot be replaced. However, it is concerned for the future supply of resources. It is also concerned for the communities where it works. It therefore takes all the steps it can to act in a sustainable way.