Challenges for Human Rights’ Respect: Accountability of Transnational Companies - Samarco Case Analysis

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Abstract
In global capitalism economic power is undeniably attractive, and so states, especially those lacking resources and incipient in regulation, are easily seduced to overshadow threats and violations of human rights. Thus, the State omits itself in function of economic advantages, relevant, but to the detriment of human and sustainable development, with this, the potentiality of catastrophes and intense violations of human rights is increased. Based on the Samarco case, one of the largest environmental disasters in Brazil, which generated numerous human rights violations, with the use of bibliographic sources and data from the specific case, using the hypothetical-deductive method, an analysis is made of the current system of international accountability, focused only on host states, and modifications that could be adopted with regard to the system of accountability of transnational companies as a way to lead them to respect and integrity with regard to human rights and meet SDGS n. 16 of 2030 Agenda.

Keywords: human rights, international responsibility, ambiental disaster Samarco

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1 – The disaster caused by the rupture of the Fundão dam of the Samarco company - extensive human rights violation

In the Brazilian State, in November 2015, it was experienced the Samarco case in which the city of Bento Rodrigues, Minas Gerais, was devastated and destroyed by mud due to the rupture of a dam - Fundão - of the company Samarco, one of the biggest environmental disasters in Brazil1, with repercussions in the most varied spheres.

Minas Gerais is a state with mineral extraction as its characteristic. According to a statement by the Mayor of Mariana, in 2016, 89% of the municipality's revenue came from mining, which is why he only defended the temporary suspension of the mining company's activities and called for its return, which shows the seduction of economic power over sustainability and respect for human rights.

Until the disaster occurred, Samarco - a joint venture between Vale and the Australian and British companies BHP Billiton, extracted 30.5 million tons of iron per year, with sales worldwide, the tenth largest exporter in Brazil, with revenues in 2014 of R$ 7.6 billion and profit of R$ 2.8 billion.2 According to the investigations, since 2013 the Public Authorities and Samarco had been aware that there was a risk of the dam rupturing, and at the time of its construction in 2007, the project would have presented insufficient data and, nevertheless, the construction was accepted and authorized.

According to the investigations, another important aspect, which may have contributed to the event, is that in the area there was an accumulation of waste from Vale, a Samarco partner, whose concern already existed in 2007. During 2013 a study pointed out that the water pressure on the waste could compromise the dam. Subsequently, in 2014 there were cracks in the dam, and a patch was identified. According to the federal police, it indicates the possibility that Samarco knew the risks that the city of Bento Rodrigues ran in relation to the dam. 3

The dam rupture dumped 40 million cubic meters of mud contaminated with ore tailings into the environment, spreading for about 679 km, in 39 municipalities between the states of Minas Gerais and Espírito Santo. Cities were destroyed, countless people lost their homes, establishments, profession and income. There are direct and indirect victims. The risks and impacts on life are still unknown. In 2018, three years after the event, people began to be contaminated by arsenic and nickel, children showed allergies and had losses in the enjoyment of their childhood. Many foods were planted and harvested, in subsistence, and needed to be purchased because of mistrust of water, air, and soil. 4

People have been temporarily relocated, in standard housing, but have lost their social, cultural, historical identity, are distant from friends and family, have lost their personal objects and memories, and many have also lost their economic activity. The levels of depression and alcoholism have been increasing. 5

The region, before the accident, was remarkable in terms of tourism, but it is no longer so and the local
Countless lawsuits have been filed in the Brazilian Judiciary. In 2016, Samarco signed an agreement with the Public Ministry that gave rise to the formation of the Renova Foundation to deal with indemnifications and committed itself to rebuilding the city of Bento Gonçalves.

The case in question demonstrates a violation of human rights, a misunderstanding of the adoption of development only on an economic basis, as well as its opposite effects, which often generate internal displacement, in evident antithesis to human rights to development, health, life, preservation of cultural and social identity and, ultimately, to human dignity.

1.1- How to improve the responsibility system for human rights violations?

The relevance of economic activities' development, by national or multinational companies, is not in doubt. The exercise of economic activity is relevant to the promotion of various human rights, however, under the pretext of realizing them it should not, paradoxically, remove them and violate numerous other rights, especially the healthy quality of life. Development must necessarily be linked to sustainability, that is, continuity.

In 1986 the UN, through Resolution 41/128, adopted the Declaration on the Right to Development, which considers this an economic, social, cultural and political process, aimed at increasing the well-being of all, which allows for the realization of human rights and fundamental freedoms and must have the human person as the central subject of development, its active participant and beneficiary. This understanding of human-oriented development was followed by other international instruments, such as the 1987 Brundtland Report, which established the satisfaction of human needs and aspirations as the main objective of development, so also with highlight to the 1992 Rio de Janeiro Declaration.

Internally, the Republic’s Constitution of the Brazilian State established the dignity of the human being as a fundamental principle and the prevalence of human rights. Also, in art. 225 it consecrates the national sustainable development. Thus, it is responsibility of everyone: State, companies and society to watch over the respect and promotion of human rights, especially in relation to economic activities with serious risk to humanity.

In the case analyzed, the multinational Samarco performs the work of iron ore extraction, thus, it is not only a matter of installation and exercise of economic activity by a powerful company with transnational origin, but also of private exploitation of non-renewable public goods.

Therefore, regarding the exploitation of mineral resources (state property), the state has an even more intense duty to regulate, condition and inspect the activity. Furthermore, in such a situation, the State appears as the entity that authorizes or grants the right of exploitation, as the holder of the property, with greater power to establish conditions and limits to the activity, including with powers of resumption for noncompliance with them. The exploitation of a public good, non-renewable, must necessarily turn to the public purpose, especially with regard to the fulfillment of human rights, human dignity and the economic, social and cultural sustainability of the undertaking.

Although the State and the private company (headquartered in the State) may be held responsible internally, the problem identified, which ends up weakening the human rights protection system, arises from the fact that in international systems of protection and accountability for human rights violations, as a rule, only the host states are responsible for the events that damage human rights.

In an attempt to improve respect for human rights in business and to hold companies accountable, the so-called Ruggie Principles were established by John Ruggie, appointed in 2005 as the UN Secretary-General's Special Representative for business and human rights. They were approved in 2011 by the Human Rights Council and are structured in three fundamental principles: "protect, respect and remedy", translated into the duty of the State to provide human rights; the responsibility of companies to respect human rights and the need for effective redress. The principles have differentiated the responsibilities of the companies and of the states, being that they are complementary.

In the international sphere, before the Inter-American Commission on Human Rights, although private individuals, victims, may make accusations, the individuals responsible for the violations are not legitimated to respond, only the host states are legitimated to respond. Thus, although the company has effectively violated human rights and caused damage to those rights, companies, whether national or transnational, are not taxable persons before the Court, the international responsibility is of the host State, exempting themselves, including the host states of the multinationals. This configuration of the system of international responsibility generates a great burden to the host state, in fact, a double burden to the collectivity of this state, resulting from the irresponsible action of the companies and the lack of regulatory and supervisory rigor of the state. The acts of violation of human rights, practiced by third parties, are imputed, internationally, to the host States, as understood by the Inter-American Court of Human Rights, expressed in the case of Velásquez v.s. Honduras (1988), as also established in the Ruggie Principles.

Thus, the greed and the prevalence of a company's profit-making purpose burdens human rights and, even if
indirectly, generates moral and property damages to the citizens of the host State, whose negative externality is even greater in the case of transnational companies, since the burden, a priori, due to territorial issues of jurisdiction, is only of the "host State".

Nevertheless, the Inter-American System of Human Rights represents an important protective role for the human rights violated by its member states, with significant advances, despite the fact that the responsibility of companies is not yet subject to analysis by international courts, which is reputatie to states.

In April 2016 the Inter-American Commission on Human Rights (IACHR) published a Report on the Protection of Human Rights in the Context of Extraction in the Americas. It had as an innovative aspect the emphasis on the obligation of States - both those of origin and those that harbor the activities - to adjust their legislation and public policies to the prevention, mitigation and compensation of human rights violations because such violations are common in unregulated environments. The Commission highlights the importance of a previous project of impacts to human rights before the concession of exploration licenses because if the risks are known in advance, it will be possible to adopt measures capable of preventing them, with ample supervision by the State over the activities of companies.18

The Commission also emphasized that there is a common asymmetry among the actors involved in cases of rights violations, with a tendency to impunity, so that the State must guarantee access to justice and effective reparation of damages.

The Report is innovative in that it assigns monitoring, supervision, and control duties to the states of origin of extractive transnational corporations, in order to prevent human rights violations in the places of extraction and to enable access to justice and redress in the countries of origin.

In this sense, the Samarco case has fostered debate on the accountability of the controlling companies, which can contribute to improving respect for human rights by transnational corporations. In 2018, in a kind of disregard for legal personality and complicity, the accountability of the international members, BHP Billiton, to the British Justice of the State of origin was raised.19

Developed countries have admitted that foreigners take legal action against transnational companies for environmental damage committed in other countries, such as the United States, with the Alien Tort Claim Act, as is the case in the United Kingdom and the Netherlands. In this respect, the European Parliament has defended this possibility and made companies aware of the liability for what occurs abroad.20

Holding companies accountable to the International Human Rights Courts, as well as holding companies accountable for human rights violations caused by their controlled companies, in order to hold the economic group accountable, can be effective means to increase the respect and protection of human rights by companies themselves and thus implement SDGS No. 16 of Agenda 2030. Companies would be compelled to adopt a kind of code of ethics and conduct regarding respect for human rights in order to avoid them, as well as to shield themselves from accountability.

The current scenario is still of little effectiveness with respect to human rights since only the host state is susceptible to international accountability. Thus, only the State ends up regulating and supervising these great undertakings, which should act efficiently, but ends up being captured by the economic power of the great groups, disproportionate to the States, if they are considered individually, especially in developing countries.

1.2. Final considerations

States, collectivity, companies21 and international organizations should act in solidarity and sharing to achieve these goals and ensure human dignity in order to effectively promote sustainable human development, taking precedence for the reason of humanity over economic reason and the reason of the State.22

The host state alone is not enough to control the strength of the global market without borders, which enters its territory and flirts with human rights. In order to enhance human rights protection and implement SDGS n. 16 of Agenda 2030, it is recognized the importance of including the international liability of multinational corporations for human rights violations; as well as the accountability of controlling companies for violations generated by their subsidiaries, members of the economic group. The change in the system of accountability, with the passive legitimization of companies, despite presenting a repressive measure, certainly has the ability to generate positive effects to the system of human rights protection because companies will assess the risk and will be more prudent in their actions and ensure the integrity of human rights.

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