

Conclusion

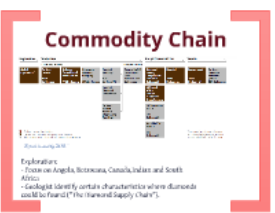
Political, economic and ecological forces intersect each other for the continuation of the production and consumption of any commodity and decisions made by companies. Political forces should always intervene when companies do not treat their work force as people. In De Beers' diamonds, political instability is huge because of the history they have with financing rebel groups and dictators. Economic forces in the world system are also important because they contribute to employment, industry, technology and development of host countries. Ecological forces are what provides companies with the resources. Although put on the back burner for economic and political decisions, they are important because ecological forces are the foundation for creation and innovation. They remind us to be human, which should be repaired by enforcing political forces and economic contributions to maintain the environment. They work together in a cycle of improvement: ecological forces show us when we've had too much, economic forces show us how far we can go and political forces show us when we've gone too far.

W&L Deal

W&L Deal: "The New Diamond Deal" (2011) - De Beers' deal with the UN to supply diamonds to the UN for humanitarian purposes. This deal was a significant step in De Beers' efforts to improve its public image and address concerns about its role in conflict zones.

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Production: Diamond Mining

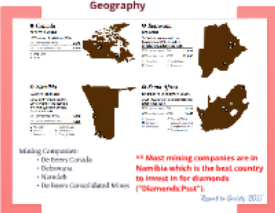
Open Pit: Most Common; used when Diamond Ore appear near the surface ("Mining Operations").

Underground Mining: Most complex operations and is considered depending on the "nature, shape and size of the Kimberlite deposit and the characteristics of the surrounding rocks" ("Mining Operations").

Production: Diamond Mining

Marine Mining: Collects diamonds from the ocean's surface by screening material collected from depths of 90 to 110 meters ("Mining Operations").

Alluvial Mining: Diamond ore buried around the coast and rivers. Build seasonal to hold back water to break down to the ore and take out the concentration of diamonds, ("Mining Operations").



Social Relationships of production and consumption

Important for Efficient Production:

- Ethical working conditions
- Improve woman workers status
- Strong non-discrimination policies
- Helping improve the lives of workers outside of the job. (E.g. Benefits)

Since the diamonds industry has had an increase in active-consumerism, sales and demand will continue to do well if there is ethical production methods and invest in the social aspect of production.

Jewellery Manufacturing:

- Wholesalers sell the diamonds to jewellery designers and retailers (The Diamond Industry Fact)
- De Beers only buys diamonds from their own "family of companies."

Retailing:

Diamonds jewelry is sold by retailers to the consumer. De Beers' retailing companies are:

- Forevermark
- De Beers Diamond Jewellers

Background Information

Report to Society 2011:

- Established in 1888
- Chairman is Nicky Oppenheimer
- CEO is Philippe Mellier
- Participate in the Kimberley Process
- Founding Members of:
 - Diamond Development Initiative
 - Responsible Jewellery Council

Sorting, Cutting and Polishing

- After mining, diamonds are sold to wholesalers ("The Diamond Supply Chain").
- Wholesale companies sort them by color, shape, size.
- De Beers Diamonds go to:
 - Diamond Trading Company
 - ETC South Africa
 - ETC Botswana
 - ETC Namibia
 - ETC Israel
- These four companies also cut and polish diamonds. Major cutting centres are in The Netherlands, South Africa, United States and Israel ("The Diamond Supply Chain").



Consumers Demand and Industrial Diamonds

Element Six is an independent company that works with De Beers for industrial diamonds. Industrial diamonds are used for construction, automotive, aerospace, general engineering, etc. De Beers' own site of Element Six (Botswana, S.A.).

Forevermark and De Beers Diamond Jewellers are the sellers of gems/rock/ices. Demand continues to increase. (2011 Report to Society)

Geography and Methods

Botswana has OPEN-PIT mines:

- Jwaneng
- Letlhakere
- Orapa
- Chemurusa

Namibia has land based ALLUVIAL mining in:

- North and Southern coastal regions
- MAKING-BASED mining in the Atlantic Ocean

Canada has UNDERGROUND mining in Northwest Territories like the Snap Lake Mine.

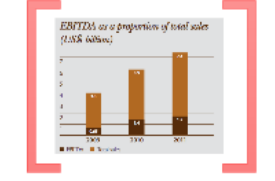
Also has OPEN-PIT mines in northern Ontario South Africa has OPEN-PIT mines in Venetia but will soon become an UNDERGROUND mine.

Woronopol also OPEN-PIT. Newest mine in S.A. meant to meet highest environmental standards. (Mining Operations)

Social Relationships

- De Beers' tries to build sustainable connections to countries of operation.
- They try to increase the number of women workers in mining.
- They try to increase the number of indigenous workers (Report to Society 2011).
- Provide human rights to business by following UN guidelines.

Outside the company, consumers view diamonds as a symbol of love and status because of De Beers' marketing strategy.



Ecological Consequences

Mining main consequences:

- Spills
- Resource wastage
- decrease of biodiversity
- Water quality
- contribution to climate change

According to their annual report, they had water pollution: Nitrate concentration from mine to shore in Snap Lake Mine (Canada).

To reduce climate change, De Beers sets energy reduction targets to reduce carbon emissions.

Influential Movements

Global Witness: British human rights organization published "A Roughs Diamond" in 1998 that said De Beers bought diamonds from UNITA rebels in Angola. De Beers then closed their offices there in 1999. ("Is the price?")

Many of the Beers' own "conflict diamonds" who's means they can be easily smuggled into the legal.

Partnership Africa Canada: Released a Report "The Matter of the Heart" which claimed to have bought blood diamonds from Sierra Leone ("The Matter of the Heart").

- Leads to political involvement of the U.N.
- 2000 De Beers stops buying in Open Markets.
- The U.N. creates the Kimberley Process.

P/C Globally

Production and consumption will increase if De Beers keeps their progressive business ethics and seek to improve them every year (social and economic relationship).

P/C Nationally

Increase of production if there is more support for women and indigenous workers (social relationship).

Stagnant national consumption because most diamonds are sold in Europe and the Americas and political instability in host countries (political and economic relationship).

Production/Consumption Locally

Increase production locally because De Beers' hires local contractors which increases jobs in host countries. (economic relationship)

Low local consumption because De Beers' only invest 2.7% to social programs and HIV/AIDS highly affects their workers. (social relationship)

Economic

- De Beers' creates many jobs for the people of host countries: 10,500 jobs.
- They employ local contractors.
- In 2011, they paid US\$6.7 billion in taxes to host countries (Report to Society 2011).
- De Beers' has advanced mining technology.

Political

De Beers' give "political donations" as support of the "democratic process".

Reasons for:

- Protection of human rights
- Good governance
- Progressive Production and Consumption globally

De Beers' is the main industry in these countries and give lots of money to them.

This is a step back for the political process because according to the New York Times in 2011, Robert Mugabe was accused of receiving diamond receipts to finance his political hold over south Africa (Open Market).

De Beers and the global diamond industry

Valentina Mogollon
Economic Geography

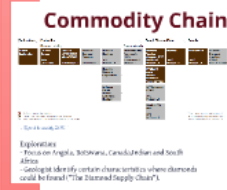
Conclusion

Political, economic and ecological forces intersect each other for the contribution of the production and consumption of any commodity and decisions made by companies. Political forces should always intervene when companies do not treat their work force as people. In the case of De Beers diamonds, political instability is huge because of the history they have with financing rebel groups and dictators. Economic forces in the world systems are also important because they contribute to employment, industry, technology, and development of host countries. Ecological forces are what provide companies with the resources. Although put on the back burner for economic and political decisions, they are the most important because ecological forces are the foundations for creative and innovation. They lead us a lot to humanity, which should be repaid by enforcing political forces and economic forces to maintain the environment. They work together in a cycle of improvement: Ecological forces show us when we've used too much, economic forces show us how far we can go and political forces show us when we've gone too far.

Political Forces: De Beers has a long history of financing rebel groups and dictators. This has led to a reputation of being a company that is not socially responsible.

Economic Forces: De Beers has a long history of being a dominant force in the diamond industry. This has led to a reputation of being a company that is not socially responsible.

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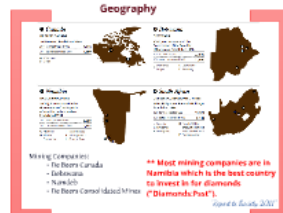
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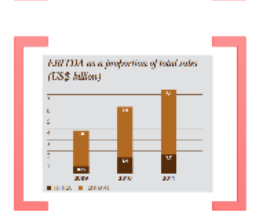
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Forevermark and De Beers Diamond Jewellers are the winners of manufacturing etc. Demand continues to increase. (Report to Society 2011)



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***De Beers's had a monopoly on diamonds, especially in the 20th century.**

They had full control of the supply so they can control market prices (Kretschmer, Tobias).

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 - DTI South Africa
 - DTI Botswana
 - DTI Namibia
 - DTI Russia

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South Africa has OPEN-PIT mines in Venetia but will soon become an UNDERGROUND mine.

Voorpoort- also OPEN-PIT. Newest mine in S.A. meant to meet highest environmental standards. (Mining Operations)



Influential Movements

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"Many of the diamonds were 'blood diamonds' which means they can be easily tracked (P&G), (Lipson).

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Donations to:

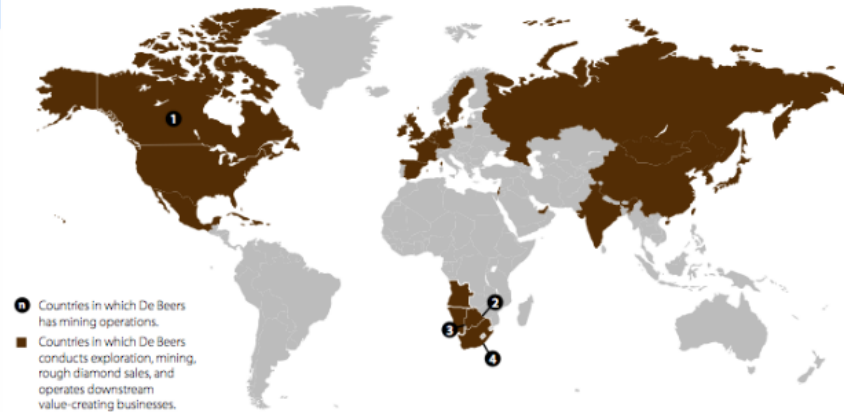
- Parliamentary parties
- Production of human rights
- Good governance
- Income Production and Consumption globally

De Beers's is the main industry without countries and get less of money so they "This is a drive look for the political process because according to the New York Times in 2011, Robert Magdar was accused of using diamond wealth to finance his political bid to win South Africa's Presidency (Lipson).

DeBeers and the global diamond industry

Valentina Mogollon
Economic Geography

A global business



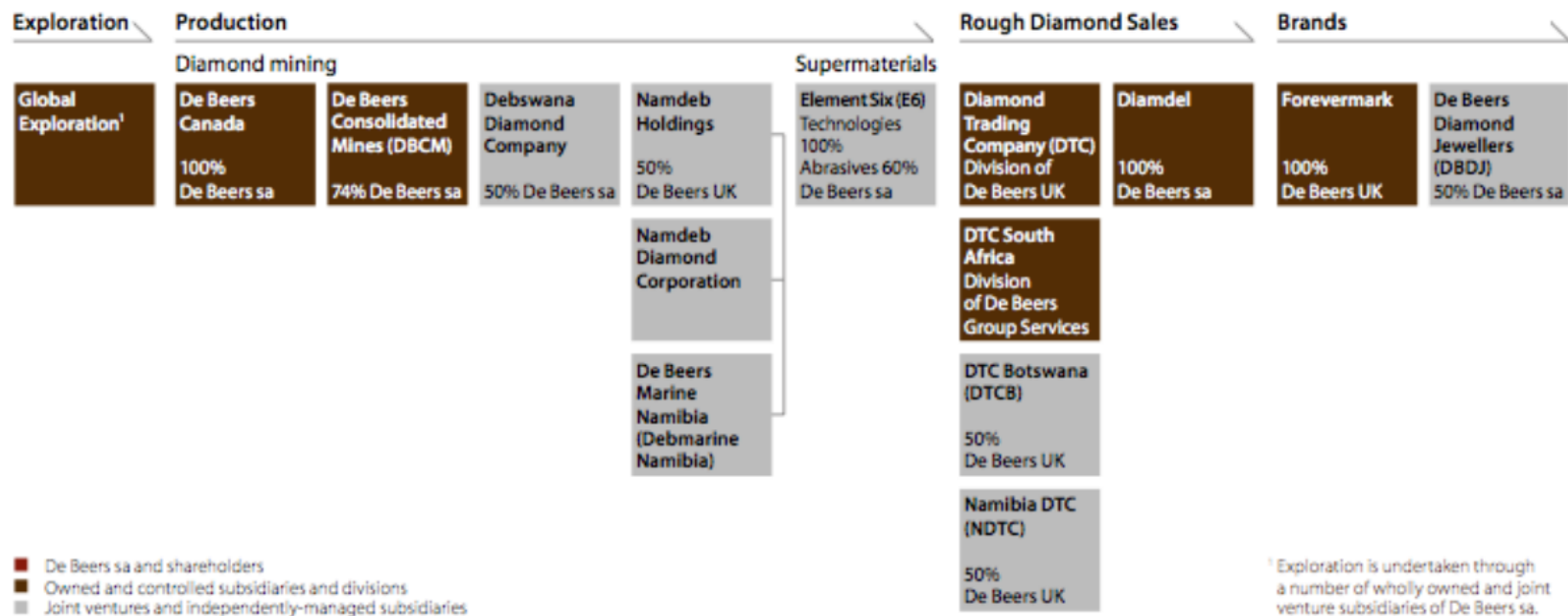
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Commodity Chain



- "Report to society 2011."

Exploration:

- Focus on Angola, Botswana, Canada, Indian and South Africa
- Geologists identify certain characteristics where diamonds could be found ("The Diamond Supply Chain").