

Marty Racine was a Houston Chronicle music critic from 1981-2003. He is currently editor of the Ruidoso News. On 31-Jan-2008, in an editorial, Mr. Racine stated "I oppose open-pit mining in the Capitan Mountains. I don't believe Capitan's puny infrastructure can handle heavy industry. I don't believe that the number or type of jobs created would benefit the community, and I don't really believe everything mining officials tell us." Mr. Racine currently resides in Capitan.

When a local ECPN representative submitted an editorial to the Ruidoso News supporting mining in general, and the El Capitan project in particular, it was selectively edited in a manner that substantially dulled the points made concerning the opponents and the potential local financial impact. This is that editorial with the deleted portions highlighted in yellow.

The redacted version was printed in the Ruidoso News on 19-Feb-2008.

Mining—who needs it?

Have you ever thought about whether mining is of value to you? If you have, no matter how frugal or opulent your lifestyle, you have to conclude that mining is necessary. Mining and agriculture supply the raw materials that are the foundation of our economy. Look around at all of the products and services that are crucial to your daily life. How many of them would exist without mined materials?

That car, SUV, or pickup on which you depend is made of steel, copper, lead, zinc, nickel, chrome, molybdenum, platinum, and many other elements. It depends on precious and exotic metals and elements for the control systems and electronics. All of these materials must be mined. The same is true for your kitchen appliances, computer, cell phone, tools, television, the roads we drive on, the electric power we take for granted, and on and on. All of these are dependent on mining products.

Mining is the foundation of our economy and of the lifestyle all of us enjoy. Some would argue that the modern world is moving towards a service-based economy. The fact remains that without mined materials, there is no manufacturing of products. Without products, there is no potential for a service-based economy.

It is interesting when the public gets involved with a project like the proposed exploration drilling by El Capitan Precious Metals north of Capitan. The most ardent opponents appear to have no recognition of their own dependence on mining, or of the substantial economic benefits that result from mining. All they see is disaster in one form or another. In fact mining is a necessary human activity and mines can only be placed where

the minerals are found. Modern mining can and must be done in ways that minimize environmental damage and impacts on neighbors, while providing the jobs and raw materials we need.

We have made it clear that the current permitting effort is to allow additional exploration drilling on El Capitan Precious Metal's mining claims. The permit involves surface disturbance in the National Forest to provide roads for access to the drill sites. Half of the roads already exist. While a permit to explore does not involve mining, it is certainly our hope that a mine will be the long term result.

If exploration is successful in defining an economically viable orebody, the El Capitan Precious Metals Mine would be an open pit mine. It would certainly have an impact on the people living close to the mine. It is understandable why some of them are opposed, **although it could ultimately be a financial boon to them**. And it is understandable why people enjoying a comfortable retirement lifestyle might oppose a large development that will result in more people and activity in the area. So, why would anybody want a mine to be developed?

On the National level producing our own minerals to the extent possible is vital to our national security and economic strength. That is why the United States keeps public lands open for exploration. Last year the mining industry transformed raw earth into \$78 billion worth of finished mineral, metal, and fuel products. These products were used by industry to produce goods valued at approximately \$2 trillion. Mining is indeed the foundation on which our economy is built.

The last available census data (2000) listed Capitan's median household income at \$27,188, less than 65% of the \$42,100 National median household income at that time. Such a large income gap would imply that there are Lincoln County residents that struggle to provide for their families.

In 2006, the average annual wage for all industries in New Mexico was \$33,409. At the same time, the average annual mining wage in the state was \$60,154; or 80% higher than the average for all industries.

We have heard mining opponents state that tourism is currently the #1 industry in the Lincoln County area, and it is true that it supplies many jobs. But there is no question that the wages and benefits in the tourism industry

lag far behind those provided by the mining industry in New Mexico, as well as all across the United States. Data for the 2nd quarter of 2007 showed that the average weekly Mining sector wage in New Mexico was \$1,169, while the Retail Trade sector wage was \$472, and the Accommodations and Food Services sector wage reported in at \$259. These numbers do not include the value of benefits, which are traditionally much lower, or even non-existent in the Retail Trade and Accommodations and Food Services sectors.

It is not an accident that in “high tourism” areas, many tourist industry employees cannot afford to live where they work. Perhaps if you are one of the lucky few who already have your financial needs met, the prospect of living in an area where tourism is the #1 employer is more attractive than if you are trying to obtain employment that adequately provides for you and your family.

Wouldn't it be wonderful to develop hundreds of high paying jobs with solid benefits and the opportunity to build a meaningful financial nest egg before retirement? This would allow many local people in their working years to live where they work and raise their families. In addition to the mine employment, each direct mining job usually results in 2 to 3 other local jobs. Typically, when a high paying industrial operation adds employment to a smaller community, the average wage of other jobs in the area rise as competition for employees reduces unemployment and under-employment in the area.

While rising wages and more jobs benefits the families and the communities, it is true that such positive actions may also result in some difficulty for those individuals or businesses that currently rely on paying very low wages for labor.

The additional wages of all these working people would support Lincoln County schools, medical clinics, restaurants, merchants, churches and charities. All of these people would be paying local, State, and Federal taxes; as would the mining company.

There is no reason to believe tourism would be adversely affected. Any potential mining operation would not be noticeable from highway 380. In other areas of the country, pit overlooks and tours of mining operations draw tourists to the area. Also, the economic activity related to the development and operation of a mine would help support expanded food and lodging

businesses in the area; something that is crucial to a healthy tourism industry.

Modern mining practices include maximum environmental protection. That is the industry's position, and that is the law of the land. Opponents of this project that try to compare modern mining practices to those followed 50 or 100 years ago are staking a position that is just as ludicrous as comparing medical, manufacturing, or technology standards of today to those of the early 1900's. Protection of the environment to the greatest degree possible is no longer optional when developing a mine. It is part of the best practices approach used in the industry.

So what could a precious metal mine in Lincoln County mean? A mine, like any industrial activity means jobs. And like any development activity, there are opponents that feel that your financial well being is not as important as their personal reason for wanting to stop the progress. Simply stated, the development of the El Capitan property, should it reach that point, would mean high paying jobs and substantial economic activity for the Capitan area.

The opponents to this potential project are vocal and have made their opinions very well known; as is their right. We would suggest, however, that stated opinions do not automatically imply factual statements. We encourage everyone to consider their personal stake in this discussion, as well as to understand the personal stake of those who would stifle this potential source of jobs and economic growth before it even gets started. And, yes, you should not ignore the personal stake of El Capitan's employees, representatives, and shareholders. Clearly, the successful development of a mine at the El Capitan deposit would be beneficial to this group. That does not make it detrimental to you. On the contrary, if you support the opportunity for more jobs, higher paying jobs, and substantially increased economic activity, then your personal interests are going to be aligned with the development of the El Capitan deposit.

Bob Berglund
Corona, NM