



2012 was, at the risk of understatement, a terrible year for the industry. The global economy was distressed with the European economic crisis; politics, both American and South African, had its impact; metal prices drifted aimlessly sideways or downwards on the back of uncertain demand; input costs, both capital and cash, increased; there was a wave of industry leadership change (at my last count at least ten CEOs changed in 2012); and to close out the year there was the horrific loss of life associated with labour unrest.

However, few of the underlying causes of these symptoms of system instability had been addressed by the end of 2012, so 2013 is likely to be another year of uncertainty, instability, and change.

Most people do not like change, and the less we know about the future the more likely we are to cling to the familiar. Associated with this aspect of human nature is the tendency to resist change, and to gravitate towards pessimism about the future. Unfortunately, bad news sells, with the media selecting, filtering, and concentrating pessimism, disseminating information that further aggravates the situation.

To overcome this we really need to take on a positive view towards change, and objectively investigate and understand the opportunities (and risks) inherent in our shifting industry. This will allow us to make informed decisions on personal, community, company, and country choices.

Central to this process of informed decision-making is information, followed by objective dialogue on critical topics. In anticipation of the emerging challenges, and under the leadership of Mike Solomon, the SAIMM established the Mineral Economics Division (MED) in 2011 as a forum to do just that – collect information and objectively debate strategic and policy issues critical to the minerals industry.

The collection of papers in this issue of the Journal complements the excellent work done by the MED and should be read in conjunction with the outcomes of their earlier work, which is accessible through the website (look under Mineral Economics Division – top left-hand side under ‘other organisations’).

Read, enjoy, be informed, and move away from the natural tendency towards pessimism. Find the opportunities that we can use to make our own careers and businesses successful. Change is not a bad thing - it's how we evolve with, or rebel against, inevitable change that makes the difference.

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