

CORPORATE SOCIAL RESPONSIBILITY AND THE MINING INDUSTRY: CONFLICTS AND CONSTRUCTS



Heledd Jenkins*

Cardiff University, Wales, UK

In response to widespread and increasing criticism, the mining industry has started to pay serious attention to its environmental and social impacts. This has recently manifested itself in the formulation of corporate social responsibility (CSR) policies and strategies and a proliferation of CSR, environmental, sustainability and community reporting. Several brief case studies are used to illustrate the issues and conflicts that arise between mining company operations and the environment and community, and how these have led to the development of corporate strategies to deal with environment and community issues. The paper then examines mining company reports, revealing the language and constructs used by the mining industry to frame its responsibility to the environment and community and role in possible conflicts. Companies need to better understand the

complex nature of the communities in which they operate in order that suitably tailored strategies are developed. Copyright © 2004 John Wiley & Sons, Ltd and ERP Environment.

Received 30 June 2003
Revised 10 July 2003
Accepted 12 August 2003

INTRODUCTION

In recent years the global mining industry has taken up the mantle of corporate social and environmental responsibility; numerous factors have contributed to this, and the extractive industry is key in debates about social and environmental sustainability (Cowell *et al.*, 1999). The finite nature of non-renewables, the diverse environmental impacts associated with their extraction and use, the economic importance of primary extraction industries in some countries and the social impacts on local communities associated with mining activities have led the mining industry to be amongst the most prolific disclosers of social and environmental information (Tilt and Symes, 1999). Mining operations often exist side by side with indigenous

* Correspondence to: Heledd M. Jenkins, The ESRC Centre, BRASS, Cardiff University, 54 Park Place, Cardiff CF10 3AT, Wales, UK.
E-mail: jenkinsm1@cardiff.ac.uk



people.¹ Though traditionally seen as a potential impediment to development, with the globalization of opposition to mining developments and the emancipation of indigenous rights, engagement with aboriginal groups has become a reputational and political imperative for mining companies. This is compounded by the globalization of opposition to transnational companies, and the increased organizational capacity and co-operation of NGOs, social movements and indigenous peoples (Kapelus, 2002). Structural changes in the mining industry over the last decade have led to unprecedented access to new regions for mineral exploration (Szablowski, 2002), eased by the liberalization of mining policies and regulations in developing countries (Reed, 2002), which have led to unprecedented access to new regions for mineral exploration but may also cause corporate–community disputes.

Corporate social responsibility (CSR) is a helpful conceptual framework for exploring the corporate attitude of companies towards stakeholders (Wheeler *et al.*, 2002). For the mining industry CSR is about balancing the diverse demands of communities and the imperative to protect the environment with the ever present need to make a profit. In doing so they must recognize newly empowered stakeholders (such as indigenous peoples), identify the interests, concerns and objectives of stakeholders and recognize the need to balance or accommodate these different interests (Guerra, 2002). The concept of CSR is a means by which companies can frame their attitudes and strategies towards, and relationships with, stakeholders, be they investors, employees or, as is salient here, communities, within a popular and acceptable concept.

This paper looks at the conflicts that arise between the mining industry and one of its key stakeholders, the community. Using brief case studies, the paper illustrates the diverse socio-

environmental problems that can arise from mining operations and the corporate strategies developed to diffuse situations. Such strategies may include the advancement of cleaner production technologies and the setting up of foundations and trusts funded by mining profits to provide social services to communities affected by mining. One of the difficulties faced when developing a community strategy is the complex nature of defining 'community' itself. To a varying degree, the company must construct its own meaning of community, which may not necessarily fit the lived experience of the people in question (Kapelus, 2002), and may lead to the development of further complications and conflicts. It is not the intention of this paper to debate the validity of different corporate community constructs; rather, by conducting a narrative analysis of mining company social and environmental reports, it hopes to reveal the different language, symbols and tools used to conceptualize corporate–community relationships and clashes.

MINING CONFLICTS

Historically, the mining industry has taken a 'devil may care' attitude to the impacts of its operations: operating in areas without social legitimacy, causing major devastation, and then leaving when an area has been exhausted of all economically valuable resources. Cost–benefit language has often been used to excuse the damage caused in one place because it is outweighed by the overall financial benefits. This was illustrated at the Ashio Copper Mine, Japan, in the 1880s, where it was argued that severe damage to farmland and rivers from effluent was acceptable because 'the public benefits that accrue to the country from the Ashio mine far outweigh any losses suffered in the affected areas' (from an article in the *Tokio Nichi Nichi Shinbun*, 10 February 1892, in Strong 1977, p. 74, as cited in Martinez-Alier, 2001, p. 155). Mining giant, Rio Tinto,

¹ Indigenous peoples refers to aboriginal or native groups sometimes defined as 'Fourth World Nations', i.e. nations forcefully incorporated into states that maintain a distinct political culture (Griggs, 1992).



described by one observer as a 'poster child for corporate malfeasance', has a long history of misdemeanours and conflicts stretching back to its origins in Andalusia, where in 1888 up to 200 local farmers, peasants and miners were massacred by troops brought in by Rio Tinto during a strike, initiated after the culmination of years of sulphur dioxide pollution and pay disputes (Martinez-Alier, 2001). Corporate social and environmental responsibility has not always been high on the agenda for the mining industry.

Unfortunately, incidences of conflict and corporate malpractice in the mining industry cannot be consigned to history; recent and ongoing corporate–community conflicts, many severely testing the reputations of large companies, are widespread. Yet, whilst complex relationships between mining companies and local communities are nothing new, the way that companies are now approaching these conflicts brings a different angle to the story. The following case studies demonstrate just some of the complex social and environmental situations mining companies may face in their operations, and how difficult successful conflict resolution can be in reality to achieve.

PT Kelian Equatorial Mining (KEM) and the West Kutai Communities

Since its development in 1990 this gold mine, in the West Kutai Region of East Kalimantan, Indonesia, has been the focus of persistent allegations of human rights and environmental abuses (Kaye, 2001). Traditional alluvial gold miners were allegedly forcibly evicted to make way for the mine, villages were cleared and local communities lost houses, land, resources and sources of food. Compensation payments have been made, but the programme has been beset by charges of injustice, disrupted negotiations and direct action by the community. In its 2001 social and environmental report KEM noted that 'good progress was made in resolution of compensation issues'; however, in March 2003 tension over the issue remained

high as individuals from surrounding communities blockaded the sole access road to the mine. The issue has proved highly divisive for local communities after KEM favoured compensation negotiations with a team led by village officials, prepared to settle for less than the grass roots community organization established at a community meeting of 2000 people. Whilst the information distributed by the company details their commitment to numerous community and capacity building projects under the philosophy 'Working together for sustainable solutions', at Rio Tinto's (90% owner of KEM) annual general meeting in 2000 a message from the community did not reflect the same sentiment: 'In the name of the Kelian community . . . we state that [KEM] has not been genuinely committed to settling the issues and demands raised by the people. The company has only paid lip service to various activities – community development projects, recruitment of local workers, environmental management and mine closure plans – as a form of propaganda'. This example shows that compensation strategies are very difficult to implement when dealing with multiple and conflicting demands, and that community funds and development projects may not necessarily work to appease communities. It also shows that by legitimizing one claim or group over another there is a danger of perpetuating a conflict and causing divisions within a community.

Jabiluka Mine and the Kakadu National Park

Uranium mining in the Kakadu National Park in the Northern Territory of Australia has a long and controversial history. Operations at the Ranger Mine commenced in 1981 amongst opposition from the local Mirrar aboriginal people and environment groups; however, a Federal Government inquiry (the Fox Inquiry, Ranger Uranium Environmental Inquiry, 1977) decided that aboriginal opposition to mining 'should not be allowed to prevail'. It has since been alleged that the Mirrar people were in-



timidated, bullied and bribed into signing over land rights for the mine.² Now that the owners have plans to develop a second mine and milling plant at Jabiluka, opposition from the Mirrar people, represented by the Gundjehmi Aboriginal Corporation, and the Jabiluka Action Groups around Australia is strong, so strong that a number of campaign leaders have been arrested and imprisoned for trespass (on what is essentially their own land). It seems that there are few areas where agreement can be reached; the Australian government and the mine owners argue that Kakadu (listed as a world heritage site) will not be endangered by the mine, even disputing whether the mine site does actually lie within the borders of the national park. Environment groups argue that the mine will have severe environmental impacts for the region and will fuel the nuclear cycle. The Mirrar people are aggrieved by the way their land was taken in the past, are fighting to protect their sacred sites from construction and are equally concerned about the potential environmental impact of Jabiluka. Hintjens (2000, p. 380) believes that economic short termism is at the root of the conflict; to the mining company a park such as Kakadu represents not 'rare, largely intact ecosystems of longer and greater significance than the interests of the current generation . . . but . . . a valuable undeveloped resource awaiting human use'. The situation is further complicated as the Mirrar people have been led to believe that they need the Ranger Mine to stay open as they rely on the royalty payments and the provision of financial support for community services and health care that come from the mine. This introduces the notion of 'false dependency' into the equation, allowing the company to position themselves as providers of much needed resources that the Mirrar could not get elsewhere; constantly undermining the strength and autonomy of the community by reinforcing their dependency on the company. In this sense community develop-

ment programmes provided by mining companies could be viewed not as 'socially responsible' but as a means of controlling the community.

DEFINING THE COMMUNITY, A CONSTRUCTED TASK

'The community' has proved a difficult concept to define, possibly because, as Cohen (1985) notes, the community exists in the minds of its members, and should not be confused with geographic or sociographic assertions of fact. Corporate communications on CSR persistently refer to how companies perceive themselves to be part of the community. However, identifying a community is a complex and constructed task; any definition of a community is always a construct, an imposing of order that does not necessarily fit the lived experience of the people in question (Kapelus, 2002). Companies often see a situation framed in scientific fact, whereas many of the communities that they perceive themselves to be part of base their view on beliefs and perceptions. This may be of particular relevance to indigenous peoples, where radically different world-views may clash with corporations' scientific 'development' rationale (Wheeler *et al.*, 2002). The predominant world-view of the mining industry is that of free-market capitalism or 'neo-liberalism' on a global scale, where no collective structures such as government or community can impede the free development of mining operations or the pure market logic that everyone must benefit from such activities. Organizations opposing the mining industry often found their campaigns on anti-globalization beliefs, whilst the aboriginal world-views of indigenous groups are based on entirely different principles. Another paradox is that the process of legitimizing community stakeholders is necessarily based on judgements that risk favouring one group over another. Sometimes inconvenient stakeholders may be ignored or overlooked

² <http://www.mirrar.net/>.



(Wheeler *et al.*, 2002), as was the case at PT Kelian Equatorial Mining.

Companies often identify the need to learn more about the communities in which they operate, as at Lihir Gold Ltd, where an anthropologist has been employed to research the Lihirian community and improve the company's understanding of the community's perception of the environment and the impact the mine is having on the environment. Here, there is an explicit recognition of the different world-views held by community and company: '... it has become evident that community anxiety, and the widespread misapprehensions about environmental issues that have occurred, are largely due to communication difficulties that arise from presenting complex scientific information that is incomprehensible to the Lihirians' (Macintyre, 2001). Nevertheless, concern has been expressed over the validity of using anthropological experts to frame and address community issues. Szablowski (2002) asserts that such experts play a key role in constructing the community, but their conclusions are invested in the symbolic capital of their individual academic and professional experiences that may not fit the symbolic structures of the communities studied. The legitimacy of the anthropologists' interpretation of misperceptions or situations of conflict is based on an assumed neutrality and autonomy, but to what extent is this true? In his study of the conflicts at the Ok Tedi Mine in Papua New Guinea, Kirsch (2002) argues that neutrality may not be possible in disputes between transnational companies and indigenous communities because of structural inequalities that make it easier for corporations to take advantage of anthropological expertise. Hyndman (2001) agrees with this perspective, debating which anthropologists qualify as 'honest brokers' in mining conflicts. Accordingly, the company is faced with a number of difficult judgements and dilemmas when constructing and communicating its idea of the community and conflict. As is illustrated in the following discussion of mining company social

and environmental reports, it does not always negotiate them well, or even at all.

CORPORATE SOCIAL AND ENVIRONMENTAL REPORTING

Recent trends show that corporate sustainability reporting, encompassing the social and environmental aspects of company activities, is becoming part of mainstream business, with a significant increase in the number of companies issuing reports of this nature (KPMG, 2002). The mining industry, like any other, is subject to the pressures of increased stakeholder accountability and social and environmental responsibility: perhaps more so as they often operate in remote locations with indigenous peoples and their potential negative social and environmental impact is significant. Social and environmental reporting is a necessary tool in the current social and business climate as increased pressure on business performance also places a need for mining companies to distinguish themselves in a competitive marketplace (KPMG, 2000). One of the central issues facing companies is how they define their relationships to their communities (Waddock and Boyle, 1995), and respond to their rapidly changing demands and expectations. A KPMG (2000) survey of the sustainability reports of 40 of the World's largest mining companies shows the importance of community as an external issue, with 85% of reports addressing community issues, third behind commodity prices and the environment.

The dominant research perspective on why companies engage in social and environmental reporting is legitimacy theory. Legitimacy theory relies upon the notion of a social contract between company and community, and on the maintained assumption that companies will adopt strategies, including disclosure strategies, that show the community that the organization is attempting to comply with their expectations (Waddock and Boyle, 1995). Companies are deemed to use disclosure



media, such as social and environmental reports, to allay community concerns, or more particularly what they perceive to be community concerns (Lindblom, 1994). The report then is a tool by which a company can construct its own 'social imagery' (Deegan *et al.*, 2002), the company's identity, how it perceives the community and its relationship with it and how it responds to legitimacy threats. Narratives may contribute to the building of a company's reputation (Vendelø, 1998); firms may use reporting as a form of impression management to influence their reputation and effectively handle legitimacy threats (Hooghiemstra, 2000).

MINING COMPANY REPORTS – ANALYSIS AND DISCUSSION

This section is based on the analysis of 16 mining company reports (see the appendix for a full list of reports); it shows how the narrative is used to create an impression of each company, how they perceive communities and their relationships with them, and how they respond to conflict and threats to legitimacy. The companies chosen are global operations mining a diverse range of resources including diamonds, gold and coal. Five companies are from the Rio Tinto group, two from the BHP Billiton group and one from the AngloAmerican group; the rest are smaller concerns and the global reports of the aforementioned groups. The reports are a mixture of sustainability, health, safety, environment and community, social and environmental, and environmental reports from the years 2001/2002, with 13 of the companies in operation, one in an exploration phase, one opening up and one closing down.

CONSTRUCTING THE COMMUNITY

The reports studied show a disinclination to explicitly define the community as a concept or

to delineate its boundaries; rather, *the community* is an inclusive term used to describe a diverse range of stakeholders embracing local communities, employees and aboriginal groups. The community construct is based on a set of positive assertions about social values and policies, most of which serve to place the company at the heart of the community. Widely used affirmations are the community as a 'neighbour', as a 'host', and a sense of togetherness, seen here in these company philosophies:

Let us all work together (Lihir Gold Ltd).

Working together for sustainable solutions
(PT Kelian Equatorial Mining).

Community concerns are given a prominent place in each report; no company has passed the opportunity to create a favourable impression of its social responsibility; community well being is shown as important and central to a company's interests. The legitimacy of the community as an important stakeholder, whether it is 'the regional community', 'our indigenous stakeholders', or 'the communities associated with our operations', is not questioned; but neither is the character or needs of those communities alluded to in anything but generic expressions. On occasion there is an allusion to the recognition of the legitimacy of one community stakeholder over another, for example at the Cortez Mine (Kennecott Minerals) a relationship has been developed with 'active' Native Americans, as opposed presumably to inactive ones. Two of the companies studied make more detailed reference to the communities in which they operate. At KEM a page is dedicated to a description of the social make-up of the area in which they operate; it is written in a detached narrative, that is to say it is devoid of empathy and any reference to the real human emotions faced by community and company. Lihir Gold Ltd has employed an anthropologist to better understand the Lihirian community, and to improve the way in which it communicates.



The reports go to great lengths to create an impression of 'valued communities'. They are, refreshingly, explicit too about why they are valued, not for their intrinsic value, although one company does go as far as to say that community responsibility is the 'right thing to do' (Falconbridge, p. 6), but for their instrumental worth. While reference is made to community rights and the importance of sensitivity to history, culture and local lifestyles, it is not for these reasons that communities are significant to mining companies; it is for their land for continued mine development, for their people as a source of employees and contractors and for their goodwill for sustained legitimacy.

[W]e have a responsibility to manage the impact of this [HIV/AIDS] situation in order to care for our employees and *protect the viability of our operations* (BHP Billiton, p. 32).

[C]ommunity support is important to *the successful operation of Worsley Alumina's business* (Worsley Alumina, p. 19).

[P]rosperous and stable communities will *support the success of our business* (AngloAmerican, p. 3).

[Community] actions taken are considered primarily as an investment, whereby the local communities increase capacity to develop, and *the mine, in return, receives business benefits* (Kennecott Minerals, p. 22).

The corporate–community relationship

While the company reports studied are unforthcoming with clear definitions of the communities in which they operate, their own sense of identity is clearly delineated. Corporate identity is the strategically planned and operationally applied internal and external self-presentation and behaviour of a company (Hooghiemstra, 2000). The impression that a company has of itself may influence the way it construes its relationships with others: in this

case, with communities. Here then, two 'identity themes' emerge, the company as a 'world leader' (see Rio Tinto, p. 1; Argyle Diamonds, p. 4) and as 'powerful' (see Anglo American, p. 1), and the company as a necessary engine of economic and social development, even necessary to sustain life:

... metals ... are necessary components of human development and therefore are needed to sustain life, as we know it (teckcominco, p. 1)

Our products are essential to today's society (MIM Holdings, p. 1).

The companies frame themselves as central components of the communities in which they operate, as neighbours and as key instigators of economic development and improved standards of living. The rationale behind the existence of a mine in a community is that the community will be better off in both the short and long term.

our Lihirian neighbours (Lihir Gold Ltd, p. 7).

KEM is an important part of the regional community (PT Kelian Equatorial Mining, p. 3).

we strive to form partnerships with host communities, sharing their environments, traditions and values. Communities will be better off for AngloGold's having been there (AngloGold, p. 1).

The predominant paradigm used to describe corporate–community relationships is that of mutual benefit and respect, with the sharing of both the responsibility for and the benefits from mine development.

Mutual respect is an essential ingredient to building a lasting and beneficial relationship between the mine and its host communities (Kennecott Minerals, p. 8).



DDMI strives to develop mutually beneficial relationships with communities and other interested groups and organizations, built on a solid foundation of respect, long term commitment and active partnerships (Diavik Diamonds Inc., p. 18).

Mutuality suggests co-operation, common values and equality in power relations and has much in common with the principles of communitarianism, an inclusive form of community that overcomes the corrosive effects of individualism, and protects all citizens from authoritarian threats (Tam, 1998). However, the tone in the narrative here is more of reciprocity, whereby the company gains legitimacy, land and employees and the community is given sustained economic development (even after mine closure), employment and social improvements such as health and education. The mutual benefits may not be as balanced as the reports suggest, as the majority of the power to define this mutuality still lies with the companies.

Corporate–community conflict

Despite the predominantly positive and upbeat tone of these reports, mention is made of areas of conflict where they appear. A principal issue is that of land-use, whether it is disagreement with traditional landowners over land rights or clashes with illegal miners; other recurring community concerns are environmental pollution and the impact of mine closure. Poorly managed disputes can reduce the legitimacy of a company's activities in the eyes of the community and wider society, thus corporate reporting is often used as a form of impression management to enhance and maintain reputation, and present the company's own version of events. In the reports studied, two approaches to corporate–community conflicts are apparent, the strategies employed by companies to deal with potential and actual conflict, and the narratives used to describe problems. In the former, we see a wide recog-

inition of stakeholders and the necessity of engagement, mutual respect and partnership, in the latter some examples of tactical impression management. Lindblom (1994, quoted by Clarke and Gibson-Sweet, 1999, p. 6) identifies four broad legitimacy threat strategies,

- informing stakeholders about intended improvements in performance
- seeking to change stakeholders' perceptions of the event
- distracting attention away from the issue
- changing external expectations about its performance,

whilst Hooghiemstra (2000) offers three protective strategies for impression management (see Table 1). The reports use several of these narrative and symbolic techniques to rationalize conflict and respond to legitimacy threats.

The most commonly used is 'excuses', which could also be seen as distracting attention away from the problem, or deflecting blame to external or uncontrollable causes; in doing so the spotlight of any conflict is shifted away from the company. At MIM Holdings Ltd a clear example of sidetracking can be seen when an increase in environmental complaints at one

Table 1. Corporate accounting tactics (based on work of Scott and Lyman, 1968; Schlenker, 1980; Tedeschi and Riess, 1981; Schlenker and Weigold, 1992).

Strategy/tactic	Description
Excuses	The actor tries to deny responsibility for an action he admits is wrong; the best excuses are those that attribute failure to external, uncontrollable or unintentional causes
Justification	The actor accepts responsibility but denies that the act was bad or wrong
Apology	The actor admits blameworthiness for an undesirable event but attempts to convince the audience that the event should not be considered a fair representation of 'what things are really like'



mine is attributed to the publishing of 'a number of critical press articles' (p. 28), and at another a rise of 63% in compliance incidents is explained by 'clear workable procedures and an increased awareness of reporting' (p. 39). Another diversion tactic used is to place the responsibility for dealing with an area of conflict with someone else, usually the government or government associations. At KEM, conflict with illegal gold miners and with communities over land compensation claims and adverse environmental impacts is framed within the wider political problems in Indonesia, problems that are largely out of the company's hands.

There have also been major impacts on communities and on the relationships between KEM and the communities as a result of the major changes taking place in the wider Indonesian environment. The Reformasi period saw major changes in expectations, relationships and behaviours of communities and community groups. Economic difficulties and the regional autonomy changes in recent years have also significantly influenced relationships and produced new challenges (PT Kelian Equatorial Mining, p. 3).

At Kennecott Minerals the resolution of land disputes with the Western Shoshone native people is seen as the responsibility of the Land Management Bureau and the US government. As in Lindblom (1994), another strategy for shifting attention away from an issue commonly used by the companies studied is to link information on problems and conflict with long statements of intended improvements in performance or images that are completely unrelated to the text; this is a constant in the reports studied.

The framework of sustainable development

Sustainable development is the most prominent discourse used in the company reports;

the companies use the concept of sustainable development as a framework around which to hang their social and environmental responsibility and their commitment to economic development in the areas in which they operate. Like CSR, the sustainable development narrative has become an acceptable organizational expression for the motives of corporations. Mining corporations' social strategy is based on a 'sustainability model' that integrates economic, social and environmental issues into long-lasting plans for local communities beyond closure phase (Guerra, 2002). The reports use the 1987 Brundtland Report definition of sustainable development, 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs'; reference is also made to the 'triple bottom line' with the need to consider economic, social and environmental consequences. The word sustainable is used liberally throughout the texts: sustainable education, sustainable business ventures, sustainable communities, sustainable ecosystems and on. The perspective that prevails in the reports studied, and in the mining industry as a whole, is that continued extraction of non-renewable resources is a necessary part of sustainable development activities (Cowell *et al.*, 1999); the inherently unsustainable nature of the continued extraction of non-renewable resources is not alluded to.

Despite what you hear sometimes, 'mining' and 'sustainability' are fundamentally compatible. . . . They [metals] are necessary components of human development and therefore are needed to sustain life, as we know it (teckcominco, p. 1).

A second perspective, related to the Natural Step criteria for sustainable development,³ is that extraction of these resources must be greatly reduced or even eliminated in the process of moving towards sustainable

³ <http://www.naturalstep.org/learn/principles.php>.



societies. Clearly this is not a view that the mining companies subscribe to, yet an implicit assumption throughout each report is that neither is it a view to which the communities in which they operate subscribe. Given the diversity of world-views that exists, it is likely that many communities and individuals within communities will disagree with the mining industry's take on sustainable development.

CONCLUSIONS

As Humphreys (2000) notes, the issue of community relations is no different from any other that mining companies must deal with, a volatile mix of risks and opportunity that must be understood, evaluated, managed and monitored. The company reports studied communicate how mining companies use community development strategies to approach community relations. They show how narratives are used to construct the corporate–community relationship and frame it within a number of diatribes. The reports are permeated with the language of CSR and sustainable development, with the themes of mutuality and togetherness emerging strongly. By using these analogies the companies are tapping into a robust and widely accepted international rhetoric that is likely to gain much support. However, community responses to mining companies cannot be framed in these terms alone, but should also be placed in their broader social, cultural, political, environmental and economic contexts (Banks, 2002). Yet, rather than chose to construct communities based on their complex realities, or even attempt to delineate their social and/or geographical boundaries, the companies have preferred to identify the community in relation to themselves, with the company at the centre or heart of the community.

It is clear that the decision of companies to develop community strategies does not stem from a moral choice; it is as a strategic response to social challenges that constantly shift the

background of constraints in which the organization must operate. In justifying their view on social and environmental responsibilities companies often fall back on 'institutionalised vocabularies of motive' (Morrill, 1998, quoted by Cragg and Greenbaum, 2002, p. 322), whereby the company's strategies are determined by external constraints, such as community conflict, and instrumental imperatives, such as the requirement for legitimacy. By framing community responsibility within instrumental necessities the company avoids the potential for conflict with other accepted corporate responsibilities, such as the need to make a profit.

While Kantian philosophy suggests that there is a universal moral relationship with other humans by virtue of their human-ness (Low and Gleeson, 1998), it is necessarily distorted by the diversity of cultural interpretations. Whether there is moral acceptance of the human need to engage or not, the different cultural constructs of companies and communities will inevitably lead to conflict unless companies attempt to better understand and define the complex nature and world-views of the communities in which they operate. In the meantime, community strategies are built on the neo-liberalist mining industry rationale that their presence in an area is essential for continued social and economic development, and constructed within the developed world's paradigms of corporate social and environmental responsibility and sustainable development. Further research may focus on whether community development programmes implemented by mining companies actually deliver socially responsible outcomes, or whether they simply create mechanisms of dependency that can be used to control communities.

APPENDIX. LIST OF COMPANY REPORTS

- teckcominco – *2001 Sustainability Report* (published March 2002, p. 59)



- Falconbridge Limited – *2001 Sustainable Development Report* (p. 29)
- Iluka Resources Limited – *Environment and Community Report 01* (published April 2002, p. 48)
- MIM Holdings Ltd – *2001 Environment Report* (p. 49)
- Perseverance Exploration – *Annual Environment Report 2001* (p. 15)
- AngloGold – *Towards Sustainability – a Social Investment Report 2001/2002* (p. 32)
- Anglo American – *Good Neighbours Our Work with Communities* (published August 2002, p. 36)
- BHP Billiton – *Health Safety Environment and Community Report 2002 Policy into Practice* (published July 2002, p. 62)
- Worsley Alumina Pty Ltd – *Health, Safety, Environment and Community Public Report 2002* (p. 23)
- Kennecott Minerals – *2001 Social and Environment Report* (published April 2002, p. 42)
- Diavik Diamond Mines Inc. – *Annual Social and Environment Report 2001 The Road to Sustainability* (p. 52)
- Rio Tinto – *Social and Environmental Performance Highlights 2001* (p. 6)
- Lihir Gold Limited – *Community and Environment Report 2001* (p. 53)
- Cannington – *2002 Health Safety Environment and Community Report* (published June 2002, p. 8)
- Argyle Diamonds – *Sustainability Report 2001* (p. 56)
- PT Kelian Equatorial Mining – *Social and Environmental Report 2001* (p. 34)

REFERENCES

- Banks G. 2002. Mining and the environment in Melanesia: contemporary debates reviewed. *The Contemporary Pacific* 14 (1): 39–67.
- Brundtland G (ed.). 1987. *Our Common Future: the World Commission on Environment and Development*. Oxford University Press: Oxford.
- Clarke J, Gibson-Sweet M. 1999. The use of corporate social disclosures in the management of reputation and legitimacy: a cross sectoral analysis of UK top 100 companies. *Business Ethics: a European Review* 8(1): 5–13.
- Cohen AP. 1985. *The Symbolic Construction of Community*. Routledge: London.
- Cowell SJ *et al.* 1999. Sustainability and the primary extraction industries: theories and practice. *Resources Policy* 25(4): 277–286.
- Cragg W, Greenbaum A. 2002. Reasoning about responsibilities: mining company managers on what stakeholders are owed. *Journal of Business Ethics* 39(3): 319–335.
- Deegan C, Rankin M, Tobin J. 2002. An examination of the corporate social and environmental disclosures of BHP from 1983–1997. *Accounting, Auditing and Accountability Journal* 15(3): 312–343.
- Griggs R. 1992. *The Meaning of 'Nation' and 'State' in the Fourth World*, Center for World Indigenous Studies Occasional Paper 18.
- Guerra MCG. 2002. Community relations in mineral development projects. *The CEPMLP Internet Journal* 11: 1–31.
- Hintjens H. 2000. Environmental direct action in Australia: the case of Jabiluka Mine. *Community Development Journal* 35(4): 377–390.
- Hooghiemstra T. 2000. Corporate communication and impression management – new perspectives why companies engage in corporate social reporting. *Journal of Business Ethics* 27(1/2): 55–68.
- Humphreys D. 2000. A business perspective on community relations in mining. *Resources Policy* 2 (3): 127–131.
- Hyndman D. 2001. Academic responsibilities and representation of the Ok Tedi Crisis in postcolonial Papua New Guinea. *The Contemporary Pacific* 13(1): 33–54.
- Kapelus P. 2002. Mining, corporate social responsibility and the 'community': the case of Rio Tinto, Richards Bay Minerals and the Mbonambi. *Journal of Business Ethics* 39(3): 279–296.
- Kaye D. 2001. *PT Kelian: a Case Study of Global Operations*. Project Underground. <http://www.corpwatch.org/campaigns/PCD.jsp?articleid=622> [13 July 2001].
- Kirsch S. 2002. Anthropology and advocacy: a case study of the campaign against the Ok Tedi Mine. *Critique of Anthropology* 22(2): 175–200.
- KPMG. 2000. *Mining: a Survey of Global Reporting Trends*: KPMG International.
- KPMG. 2002. *International Survey of Corporate Sustainability Reporting*. KPMG International.
- Lindblom CK. 1994. The implications of organizational legitimacy for corporate social performance and disclosure. Paper presented at the *Critical Perspectives on Accounting Conference*, New York.
- Low N, Gleeson B. 1998. Situating justice in the environment: the case of the BHP at the OK Tedi Copper Mine. *Antipode* 30 (3): 201–226.



- Macintyre M. 2001. *Lihir Gold Ltd Community and Environment Report*. 33.
- Martinez-Alier J. 2001. Mining conflicts, environmental justice, and valuation. *Journal of Hazardous Materials* 86 (1–3): 153–170.
- Morrill C. 1998. Decoding the language of Etzioni's moral dimension in complex organizations. In *Macro Socio-Economics: from Theory to Activism*, Sciulli D (ed.). Sharpe: New York.
- Ranger Uranium Environmental Inquiry (Fox Inquiry). 1977. *Second Report*.
- Reed D. 2002. Resource extraction industries in developing countries. *Journal of Business Ethics* 39(3): 199–226.
- Schlenker BR. 1980. *Impression Management: the Self-Concept, Social Identity, and Interpersonal Relations*. Brooks-Cole: Monterrey.
- Schlenker BR, Weigold MF. 1992. Interpersonal processes involving impression regulation and management. *Annual Review of Psychology* 43: 133–168.
- Scott MB, Lyman SM. 1968. Accounts. *American Sociological Review* 33(1): 46–62.
- Strong K. 1977. *Ox Against the Storm: A Biography of Tanaka Shozo-Japan's Conservationist Pioneer*. Paul Norbury: Tenterden, Kent.
- Szablowski D. 2002. Mining, Displacement and the World Bank: a case analysis of Campania Minera Antamina's Operations in Peru. *Journal of Business Ethics* 39(3): 247–273.
- Tam H. 1998. *Communitarianism: A New Agenda for Politics and Citizenship*. MacMillan: London.
- Tedeschi JT, Riess M. 1981. Verbal strategies in impression management. In *The Psychology of Everyday Explanations of Social Behaviour*, Antaki C (ed.). Academic: London.
- Tilt CA, Symes CF. 1999. Environmental disclosure by Australian mining companies: environmental conscience or commercial reality? *Accounting Forum* 23 (2): 137–154.
- Vendelø MT. 1998. Narrating corporate reputation: becoming legitimate through storytelling. *International Studies of Management and Organisation* 28 (3): 120–137.
- Waddock SA, Boyle M. 1995. The dynamics of change in corporate community relations. *California Management Review* 37 (4): 125–140.
- Wheeler D, Fabig H, Boele R. 2002. Paradoxes and dilemmas for stakeholder responsive firms in the extractive sector: lessons from the case of Shell and the Ogoni. *Journal of Business Ethics* 39 (3): 297–318.

BIOGRAPHY

Heledd Mair Jenkins is a Research Associate at the ESRC Centre for Business Relationships, Accountability, Sustainability and Society (BRASS), Cardiff University, 54 Park Place, Cardiff CF10 3AT, UK.

Tel.: 029 20876562

Fax: 029 20876561

E-mail address: jenkinsHM1@cardiff.ac.uk