Original Article

Mining and community relations: Mapping the internal dimensions of practice

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A B S T R A C T

Imperatives for examining resource industry approaches to social performance continue to intensify. Mining companies claim to have embraced the key tenets of sustainable development (SD) and corporate social responsibility (CSR) and that social aspects are now 'core to business'. Evidence from the field suggests that despite these proclamations, the industry's mode of engagement and benefit distribution is not always defensible, or 'sustainable'. In this article, we use core-periphery thinking (CPT) as a foundation for mapping mineral resource relationships and internal decision making processes. The internal dimensions of social performance provide a productive platform for influencing and ultimately improving company-community relations in mining. The approach articulates four key dimensions by using a broader core-periphery construction as conceptual anchor points. These dimensions offer coordinates for understanding community relations practice within the organisational sphere. The purpose of building 'practice maps' is to offer scholars, practitioners and decision-makers a conceptual framework for social performance improvement that it is not bound by rigid notions of core and non-core aspects of mineral resource development.

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1. Introduction

Debates about mining and development have reached a tipping point. The resources industry claims to have embraced the key tenets of sustainable development (SD) and corporate social responsibility (CSR) and that social aspects are now core to business (Anglo American, 2013; Barrick Gold Corporation, 2013; Rio Tinto Group, 2007). Perspectives from the field suggest that despite these proclamations the industry's mode of engagement and benefit distribution is not always defensible or 'sustainable' (Slack, 2011). Polarised representations of mineral resource conflicts in both scholarly literature and contemporary media tend to limit debate about the sector's efforts. This limitation is exacerbated by a general lack of insight into how mining companies navigate the pressures of 'operationalising' CSR and SD in day-to-day business (cf. Farrell et al., 2012; Rajak, 2011; Welker, 2009). While the literature is scant, what is increasingly clear is that within mining companies, it is the legal, financial, media and technical functions that tend to hold priority over community-orientated functions. This prioritisation of business functions has been represented in 'core' and 'peripheral' terms (e.g. Kemp and Owen, 2013). In this article, we use core-periphery

thinking (CPT) as a foundation for mapping the practice dynamics of community relations and development (CRD) practice within contemporary mining organisations.[1] Our approach is a variation on existing applications of CPT, where the core-peripheral model is utilised as an explanatory framework for development-induced social outcomes, including dependency, inequality and entrenched marginalisation among the world's poor (Laclau, 1977; Wallerstein, 1976; Gunder-Frank, 1967).

Practitioners and professionals with primary carriage of the CRD function in mining companies occupy a complex array of core and peripheral positions within the organisational domain. CPT provides a useful perspective on this practice domain, however, it also limits the number of actual and potential locations and organisational configurations that researchers and practitioners engage with. The approach adopted in this article is to utilise CPT, but to extend its level of utility in order to visually represent the many and varied configurations of CRD practice. In doing this, we demonstrate that while practitioners can occupy spaces which certainly position them on the outskirts of the conventional core-peripheral continuum, including a dialectically orientated "semi-periphery" (Wallerstein, 1976), many establish new frontiers both inside and outside their organisation, which do not adhere to the

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[1] Here, 'practice' refers to the stable patterns of decision-making and action and organisational habits, routines and patterns, rather than the normative ideals espoused in corporate policy frameworks (Yuan et al., 2011; Becker, 2008).

conventional core-periphery paradigm. We draw on practice examples from CRD professionals who are actively engaged in programmes of work that place them both inside and outside the conventional 'core business' of the mine. The development of practice maps provides unique sets of insights into common organisational limitations and opportunities of CRD within mining.

In this article, we first outline the impetus for a more active engagement with the internal dimensions of social performance in mining. Following this, we define the foundational utility of CPT and then how we have applied key concepts and ideas in the building of the practice map framework. In the fourth section we present three brief examples to demonstrate a select range of potential mapping exercises using the same base concepts and plotted points. The fifth section outlines the practical utility of mapping in mining and extractive industries. The final section argues that CRD at the operational level is a powerful proxy for understanding the mining industry's *actual* rather than *espoused* levels of commitment to CSR and SD. The development of conceptual and analytic frameworks that prompt organisations to review both their internal and external systems for engagement is one means by which to determine strength of practice in this area.

2. Disciplinary incongruence in the organisational domain

Imperatives for examining industry approaches to CRD continue to intensify. Viable mineral reserves are being depleted while at the same time civil resistance and opposition continues to increase (Bebbington et al., 2008; Bridge, 2004). The stakes are high for mining companies seeking to take projects through to operation. 'Sunk costs' associated with exploration, concept and design, permitting, construction and start-up requires the investment of millions, sometimes billions, of dollars before a company reaps a financial return. This early investment profile is more pronounced for the new breed of 'mega' projects set to come on stream over the next five years.[2] Despite their apparent potential to make significant contributions to economic and human development, these types of projects have and will continue to create, exacerbate and drive various forms of social conflict over issues such as benefit distribution, safeguarding of livelihoods, resettlement, indigenous rights and the environment. These conflicts can destabilise the operating environment or, in extreme cases, grind projects and operations to a halt (Kemp et al., 2013; Filer and Macintyre, 2006; Muradian et al., 2003). It follows then, that companies should be urgently and actively reconfiguring their business models to adapt to heightened levels of socio-political complexity.

Claiming that social aspects of mining and CRD practice is (or is becoming) 'core business' provides a signal that mining companies recognise a need to transform their organisational arrangements to include professions, perspectives and organisational positionalities that have not previously been part of the 'centre'. In fact, the industry's call to core business can be interpreted as a response to the broader issue of disciplinary incongruence and inequality. Implicitly, this claim recognises a basic distinction between the different disciplines sought out by mining companies. *How* companies value and indeed integrate these disciplines into day-to-day decision making and practice has not been well canvassed in the literature. What the existing literature does tend to highlight, however, is a fundamental separation or inequality between the influence of 'harder' goals represented by engineering/production/profits and the 'softer' goals represented by

community/inclusion/development (Walton and Barnett, 2008). The base frame that we present here engages with the multidimensional nature of practice that the hard/soft science dichotomy tends to overlook. We conceptualise organisations as sites of politics and power within which a variety of stakeholders with competing interests engage in and shape a range of discourses (Grant et al., 2005; Alvesson and Deetz, 2000). Organisations are read here as sites of everyday struggle over the question of whose purpose or interest work and organisational arrangements are intended to serve (Alvesson and Willmott, 2003; Heracleous, 2002; Mumby and Clair, 1997). The focus of our work is therefore the asymmetrical professional and cultural power relations embedded within the organisational domain (Levy et al., 2003), while recognising significant power differentials that also exist externally between resource companies and local communities, and within communities themselves.

A shift from the poles of opposition towards new and productive spaces of research and practice that critically examine the internal dynamics of organisations provides a potential pathway for advancing the debate about whether and if so how the corporate form can be arranged to serve a human development as well as an economic agenda. Our approach engages with one part of this debate by illuminating the challenges faced by CRD practitioners in transforming their business models to better account for social considerations. We are also responding to calls from mining and anthropology scholars about the need to disrupt the dominant construction of mining companies as monolithic, and recognise that practice realities are far more complex (Rajak, 2011; Bainton, 2010; Welker, 2009; Ballard and Banks, 2003).

More broadly, business and society scholars are advocating for a more internally-orientated analysis of CSR that focuses on internal processes and functions. Yuan et al. (2011) focus on internal processes for CSR integration and debunk the assumption that increased societal expectations will automatically be accommodated by efficient businesses, without much attention to process. They offer a convincing argument by stating that: "although a large body of CSR literature has been devoted to organisational responses to external stakeholder demands, there has not been much work relating to how firms attempt to integrate CSR initiatives and as a result achieve 'internal fit'" (2011, p. 76). They observe that researchers have devoted little attention to: (i) the difficulties associated with allocating responsibility for CSR, (ii) prevailing organisational practices or (iii) potential pathways forward. A forward challenge for researchers is to encourage greater exposure and participation by mining companies on their own experience of understanding and responding to CRD problems, processes and systems. Recent studies and reports seem to indicate potential for more open dialogue and an acceptance of the potential risks and opportunities that stem from engaging social scientific research to address this challenge (Kemp et al., 2008, 2013; Smith and Feldman, 2009).

3. Conventional core-periphery thinking (CPT) as a starting point

The inspiration for developing a practice map originated from recent research highlighting certain core-periphery dynamics of CRD in mining, and an engagement with the CPT framework. This framework assumes four basic conditions. First, that a discernible core and periphery can be identified. Secondly, that the constituent core and periphery represent a set of power relations in which the former exerts influence over – and detracts power from – the latter. Third, that the core and periphery are co-dependent, co-existent but independently located. Four, a middle ground can be distinguished whereby a semi-periphery buffers against the

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[2] Rio Tinto for example is working to bring on line Simandou in Guinea, the contested Bougainville project in the Pacific and Oyu Tolgoi in Mongolia, the latter of which is predicted to increase gross domestic product by 30 per cent.