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Corporate social responsibility: A unifying discourse for the Mining Industry?

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Corporate Social Responsibility

A Unifying Discourse for the Mining Industry?

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The public perception of mining as an economic activity that generates harmful environmental impacts has generated both a corporate discourse of social responsibility (CSR) to legitimise mining activities and also anti-mining discourses. Both discourses use science to support their claims, yet they rarely agree on a scientific solution. The concept of discourse community may help us to understand the disconnect between mining companies and stakeholders. It is unclear whether the discourse of corporate social responsibility will improve understanding among stakeholders and lead to mutually acceptable resolutions to conflict.

- Corporate social responsibility
- Mining
- Stakeholder
- Sustainability
- Discourse community

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GLOBALISATION, CHANGING SOCIAL EXPECTATIONS, GROWING ORGANISATIONAL capacity of NGOs (non-governmental organisations) and indigenous peoples, and a movement toward ecological sustainability all contribute to the growing prominence of the concept of corporate social responsibility (Werther and Chandler 2006; Kapelus 2002). Corporate social responsibility (CSR) has become especially important to the mining industry due to the low public opinion of the sector as a 'dirty' industry with a poor record of environmental and social performance (Rae and Rouse 2001). Mining companies are often excluded from socially responsible investment (SRI) funds (SRI 2002) and activist groups frequently challenge their legitimacy or 'licence to operate' (Jenkins and Yakovleva 2006).

This has led to a corporate discourse of sustainability and social responsibility to legitimise mining activities. It has also generated anti-mining discourses by community stakeholders. Both frequently turn to science to support their claims, even if they rarely agree on a scientific solution. This may be due to the nature of science as a social construction—a belief system driven by social purposes—rather than the absence of a scientific solution.

In this paper, we explore the social construction of beliefs in discourses that emerged around a proposed mine in Michigan's Upper Peninsula called the Eagle Project. We describe the project, define the concept of a discourse community, examine the discourses for and against the project and evaluate the potential of CSR as a unifying discourse.

The Eagle Project

The Eagle Project is a proposal by Kennecott Minerals Corporation for underground mining of a small but high-grade nickel (3.6%)–copper (3%) ore body in the central Upper Peninsula of Michigan. Proposed in 2004, this project is estimated to take six to eight years and a capital investment of $120 million. Kennecott expects to mine 1,500 tons/day (Kennecott 2007); we estimate the mine could generate up to $1 billion in annual revenues. The Eagle Project's potential is thus not insignificant to Kennecott or its parent company Rio Tinto, which earned $24.4 billion in revenues in 2006 (Rio Tinto 2007). Mining is not new to the region: there are two active iron ore mines (200,000 tons/day) and a history of iron and gold mining. Copper and iron were also mined extensively in the western Upper Peninsula from the mid 1880s until the last mine closed at White Pine (copper sulphide ore; 17,000 tons/day).

The project site lies in the Yellow Dog Plains near the Salmon Trout River in the Lake Superior watershed (see Fig. 1). The Salmon Trout River is believed to be the only remaining site in Michigan for the natural breeding of coaster brook trout (Michigan DNR 2005). The area is rural with significant timber clear-cuts. The private Huron Mountain Club owns 20,000 undeveloped acres nearby. The Keweenaw Bay Indian Community (KBIC) claims Ojibwa Ceded Territories rights in the region. The Ojibwa ceded the western Upper Peninsula and its mineral values to the US government in the Treaty of 1842, which preserved the Ojibwa's rights to hunt, fish and gather on the ceded lands. KBIC believes it has a legal stake in the use of natural resources and environment even though it no longer controls land use there (Schneider 2007), suggesting there may be sovereignty issues that affect how KBIC views the proposed mine (Ali 2003).

The main benefit of the proposed mine is the production of nickel that is a key ingredient in stainless steel and rechargeable batteries. Since nickel is not currently mined in the United States, the project has national economic benefit. The mine would also provide jobs and economic benefits to a relatively poor rural region. However, there is

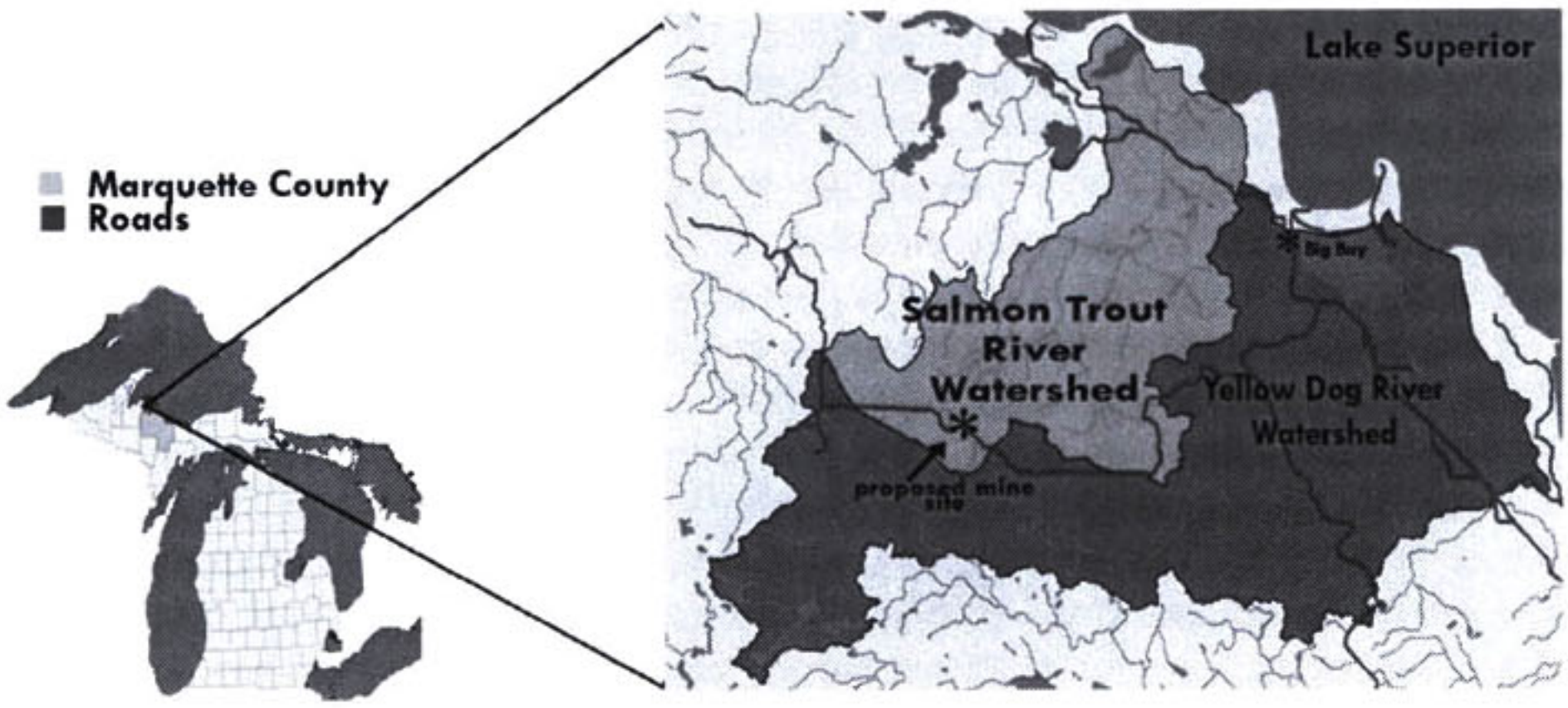

Figure used with permission from Save the Wild UP

Figure 1 PROPOSED EAGLE PROJECT MINE SITE

concern that the mine could negatively impact the natural environment, particularly water quality, as well as affect the recreational value of the area, which is important to the local economy. The exposure of buried sulphide minerals to water and oxygen could create sulphuric acid, leading to acid rock drainage (ARD) that could contaminate the Salmon Trout River, killing coaster brook trout, and ultimately Lake Superior. To reduce this risk and potential pollution problems, Kennecott plans to crush the ore at the mine site and ship the concentrate to another site for processing.

The State of Michigan has primary regulatory responsibility for the Eagle Project. Under Michigan's Nonferrous Metallic Mining Regulations, Kennecott must procure three permits (air quality, water discharge and mining) from the Department of Environment Quality (MiDEQ). Applications submitted in February 2006 received tentative approval in January 2007 contingent on public comment (approval was withdrawn 1 March 2007 because two MiDEQ technical reports were not publicly available; these are now available). In addition, Kennecott's water filtration system requires a federal permit, which was submitted in April 2007 to the EPA (Environmental Protection Agency).

Controversy frequently surrounds new mines. The mined products are needed by society, but the projected economic gain for the local community are often modest and complicated by a potential risk to a unique natural environment. In the Eagle Project, the controversy focuses on whether the economic benefit of the mine is worth the potential risk to the natural environment and local community, and how or whether science and technology can manage this risk. Similar controversies arose over proposals for the New World Mine near the Yellowstone River at Yellowstone National Park (Montaigne 1995), the Crandon Mine in Wisconsin near Swamp Creek and the Mole Lake Ojibwa Reservation (Ali 2003), the Flambeau Mine in Wisconsin, and Globe Hill mine in New Zealand (Walton 2007). Only the Flambeau mine went into production (also by Kennecott).

Discourse and discourse communities

Discourses surrounding mining often focus on claims regarding the efficacy of science and technology in managing risk to the environment. Some philosophers of science consider science itself to be a social construction. Expanding on Hacking's attempt to disentangle the social construction of things and facts (such as pollution) from the social

construction of our beliefs about these things and facts, Boghossian (2006) suggested that we hold a particular belief because of the role that belief plays in our social lives (its social purpose), more than the scientific evidence that supports it. This suggests that understanding a group's beliefs within the context of its social purpose may explain its approach to science and scientific solutions. It also suggests that no scientific solution may be possible in the face of conflicting social beliefs and assumptions.

From a social constructivist perspective, knowledge is conveyed through language within the boundaries of a community: as people adopt some ways of talking over others they create a discourse community. Discourse denotes language-in-use. Language is the act of choosing words to convey meaning—the ideas, beliefs and values of social groups (Gee 1996). The meaning of a word depends on the words available to a community and the cultural contexts in which it is used. Since language makes sense only within a community, what makes sense to one community may not make sense to another community (Gee 1996). Discourse is therefore a social process and a product—an instrument of social construction (Lincoln 1989). It marks social identity by creating social solidarity, a sense of belonging with others, and a way of being in the world (Alversson and Deetz 1996; Nkomo and Cox 1996). Discourse also marks the boundaries of a community, excluding those who do not choose and use the same words. It is used strategically to create or maintain positions of power (Lincoln 1989; Putnam *et al.* 1996; Alversson and Deetz 1996; Livesey and Kearins 2002). Discourse is thus ideological, but it is also persuasive, evokes sentiment and feeling (Lincoln 1989) and defines expectations (Putnam *et al.* 1996).

Therefore, a discourse community occupies not only a particular geographic space, but also a socially constructed symbolic and discursive space (Walton 2007). This space is defined by a body of language practices that can only be understood in the context of the ways of thinking, expectations, habitual practices, lexicon, etc., which serve to unite the community (Perelman and Olbrechts-Tyceta 1969). While some discourse communities are emergent, evolving over time into groups with common goals, others may be organised for particular social purposes including contesting the power of actors in a specific situation (Putnam *et al.* 1996). A discourse community is not necessarily coterminous with an established organisation with clear legal boundaries.

There is a large and varied body of literature on discourse, discourse analysis, discourse strategies and discourse communities that ranges from microanalyses of texts to macro analyses of community discourses. While one influential approach to discourse analysis identifies the broader conditions and historical and social contexts that discourse communities draw on to legitimise their claims (Fairclough 1995; Phillips and Hardy 2002; Walton 2007), this paper focuses on the micro level, identifying and comparing elements within the discourse itself, which theorists have identified as constitutive of discourse. The beliefs of discourse communities are inferred from their languages-in-use. This ahistorical approach has limitations, since it does not seek out the broader context in which a discourse in embedded, and does not consider whether actions are consistent with a discourse.

Method: discourse analysis

When a mining company selects a site to develop, the company begins to talk about that site with a variety of stakeholders, beginning a discourse. That discourse can be apprehended through a variety of texts, both oral and written, including official company communications vehicles, such as websites and newsletters, as well as testimonies in public meetings and interviews.

Stakeholder groups also emerge around a project, often in the form of activist groups, which range from pro-mining to anti-mining positions. These groups might represent established environmental organisations protecting a natural resource, or emergent and amorphous local groups protecting specific properties and resources in the region. As the mining company and stakeholder groups interact, they evolve into identifiable discourse communities.

We identified six discourse communities around the Eagle Project: Kennecott Minerals Company, Citizens for Responsible Mining (CRM), Copper Country Chapter of Trout Unlimited (CCCTU), Save the Wild UP (SWUP), National Wildlife Federation (NWF) and the Keweenaw Bay Indian Community (KBIC). Some of these discourse communities, such as Kennecott, represent established organisations. Others, such as Save the Wild UP, represent a loose set of actors and are identifiable primarily by oral and written texts, which these actors produced in various media.

Drawing on the concepts of discourse and discourse community discussed in the previous section, we conducted a content analysis of oral and written texts generated by each community to identify language-in-use which

1. Described ideas, beliefs, and values
2. Reflected emotion or sentiment
3. Marked social identity, belonging and social purpose
4. Marked boundaries or contested the power of other actors.

With respect to the beliefs and values, we are particularly interested in how or whether a discourse reflects a belief in science or values science, based on statements in the discourse about science, technology and regulation, and how the discourse community values science and scientific solutions to the problems presented by mining. With respect to language reflecting emotion, we identified the presence or absence of language that reflected emotion (e.g. 'deeply offends', 'very saddened') and language that could elicit emotional responses (e.g. 'dangerous', 'devastating', 'travesty', 'stigma', 'corrupt').

Eagle Project discourse communities

The results of the discourse analyses of all six discourse communities are summarised in Table 1. They are arranged according to their valuing of science—discourses reflecting a higher value for science are on the left, and those with less emphasis on the right. Key themes that reflect the community's ideas, beliefs and values are identified. Use of emotional language, a social purpose underlying community identity and the boundary the community draws around itself are also explored.

A brief example of the way in which seemingly simple word choices can be used to reveal values, emotion and identity is instructive. Two sets of terms that seem to be technical in nature, and thus uncontested, were in fact contested in the discourses. First, the activity itself was usually identified as 'non-ferrous metallic mining' or 'hard rock mining' by Kennecott, and 'sulphide mining' by anti-mining groups. Second, the term for the result of mining which may create harmful environmental impacts was usually referred to as 'acid rock drainage (ARD)' by Kennecott and 'acid mine drainage (AMD)' by anti-mining stakeholders. Kennecott thus focused on the words 'metal' and 'rock', which suggest inert objects without harmful impact and devoid of emotional content. The anti-mining discourses instead focused on the words 'sulphide' and 'mine', suggesting a threat and pointing to its source; these terms were invoked to create an emotional response.

	Kennecott Minerals Company	Citizens for Responsible Mining	Copper County Chapter of Trout Unlimited	Save the Wild UP	National Wildlife Federation	Keweenaw Bay Indian Community
Ideas, beliefs and values	▸ Community ▸ Safety ▸ Protection ▸ Economy ▸ Science	▸ Responsible use ▸ Mining is essential ▸ Economy ▸ Risk ▸ Regulations	▸ Fish ▸ Watersheds ▸ Science ▸ Ecosystem ▸ Protection	▸ Risk ▸ Economy ▸ Environment ▸ Protection ▸ Community ▸ Local place	▸ Wild ▸ Protection: legal ▸ Risk ▸ Local place ▸ Water quality ▸ Air quality	▸ Heritage ▸ Community ▸ Way of life ▸ Spirituality ▸ Land and water ▸ Protection
Emotion	No	Yes	No	Yes	Yes	Yes
Identity, belonging and social purpose	Company that brings economic benefit to the community through mining while protecting the environment	Advocacy group for responsible use of natural resources	Membership organisation that focuses on conserving, protecting and restoring the Copper County's coldwater fisheries and their watersheds	Michigan citizens who are alarmed at the prospect of metallic sulphide mining in Michigan and seek to preserve the uniqueness of this area for future generations	Organisation that engages in legal and policy work to protect wildlife and its habitat	Descendants of the Ojibwa that lived in and around the central upper peninsula of Michigan
Boundaries	Includes the local community and most others. Excludes those that do not want mining to occur (irrational people)	Includes people in 'our' area (UP) and conservationists. Excludes those that are 'anti-mining' and environmentalists	Includes any individual or organisation that can 'assist in carrying out its mission'	Includes 'community of concerned citizens' of Marquette County, experts in economics and engineering, and the EPA. Excludes many elected officials and MiDEO	Includes the people of Michigan—the 'common citizen'. Excludes Kennecott and the government of Michigan	Includes the tribe and treaty lands. Excludes Kennecott and the government of Michigan

Table 1 COMPARISON OF SIX DISCOURSE COMMUNITIES

In the following sections, we provide a detailed discussion of three discourse communities which represent divergent perspectives on the Eagle project: Kennecott, SWUP and KBIC (page limits precluded full discussion of all six).

Kennecott Minerals Company[1]

Kennecott Minerals Company's discourse about the Eagle Project communicated information about the activity of mining and its values of community and safety. Kennecott emphasised two beliefs: mining is important to the economy and safety will be achieved by the application of rigorous science and technology coupled with adherence to regulations, which enable Kennecott to be accountable to the community.

Kennecott believes that the Eagle Project is important to both the local and national economies: the copper/nickel mine proposed for the Eagle project would be the only primary nickel mine operating in the US, producing a mineral 'needed by industry'. It would also diversify the local economy by providing jobs, generating tax revenues, and 'sustaining the quality of life we enjoy'. Kennecott believes that these economic benefits constitute a useful social purpose: 'mining provides the community with the opportunity to produce an important good to the marketplace'.

Persistent values in the discourse were safety and protection, for which Kennecott held itself accountable. Since the proposed mine has the potential to produce ARD, Kennecott repeatedly stressed its belief that rigorous engineering design, science and technology can make mining safe for workers and 'neighbours' and protect and preserve the environment. For example, because Kennecott believed 'ARD chemistry and reaction is known and predictable', it could design two separate systems to protect against ARD and conduct testing 'to ensure that [water] meets all legal safety and environmental requirements before it is released'. It also stressed safety by frequently citing its attention to regulation: meeting the requirements of permits, cooperating with the EPA and making the Eagle Project an ISO 14001-certified activity. By applying science, it believed that the community would have confidence that it is 'accountable'.

Kennecott believes it can balance economic needs and environmental protection by valuing community. Community was a key area for performance measurement (Kennecott 2006a): Site Managed Assessments (SMAs) ensure that Rio Tinto's Communities Policy and Communities Standards are followed; Community Advisory Groups (CAGs) are good practice; and three guiding principles are mutual respect, active partnership and long-term commitment to communities (2006a: 13, 15). This value was reflected in repeated references to Kennecott belonging to the 'Eagle Project community'. Kennecott also placed itself inside the community by emphasising the mining heritage of the region.

In 2004, Kennecott established an Eagle Project CAG with a dozen stakeholder organisations to relay information to the community and also solicit 'meaningful input' because it believed open dialogue was important to this process. An update published in 2004 was very technical in content and emphasised legislation, environmental baseline studies and the establishment of the CAG. The next update, published in 2005, was much less technical; it had a 'new look and user friendly format' with the headline 'Working together for everyone's benefit'. It stated a purpose of engaging readers in the 'Eagle Project community' and ensuring that 'members of our community have the most com-

1 Sources for the discourse analysis include an interview with Jon Cherry, Kennecott's Eagle Project Manager (personal interview conducted via email, 11 December 2006); Kennecott 2004, 2005, 2006 a, b, 2007; Flesher 2007a, b; Nordberg 2005; Pepin 2007a, b, c, d.

plete information available'. Pictures of people, more accessible language ('Hard Rock Mining 101'), and folksy stories such as 'nickel factoids' dominated the update.[2]

Kennecott's discourse thus attempted to create an identity for Kennecott as a member of the local community with the social purpose of bringing economic benefit while protecting the environment. The discourse used the term 'community' much more often than stakeholders and it rarely used language that reflected emotion, preferring technical and scientific language. With its discourse of inclusiveness, Kennecott rarely drew a line between itself and others. However, it did occasionally set a boundary around the community it belonged to, when it identified 'those who do not want mining to occur', those who 'prefer we not be there', and 'people saying crazy things'. It thus marked those outside its community as irrational, outside the rational discourse of social purpose it has presented for the Eagle Project.

Save the Wild UP (SWUP)[3]

Save the Wild UP (SWUP) defines itself as a 'group of Michigan citizens who are alarmed at the prospect of metallic sulfide mining in Michigan'. SWUP emphasises the belief that the long-term risk posed by sulphide mining is unacceptable to the community because (1) the 'predictable destruction of acid mine drainage' will negatively impact the environment, health and the long-term economic development that depends on this unique and special natural place to generate tourism and recreation and to attract 'professionals' and 'skilled workers' and (2) it gives control to outsiders who will take the mining profits out of the community. Despite 'wild' in its name, wildness does not dominate its discourse. It does want to 'preserve the uniqueness of this area for future generations', which it considers 'exquisite' and 'special'.

Risk is a key theme for SWUP. Risk is described primarily as environmental risk to water quality, in emotional language. It stated that 'acid mines are never safe'; the risk of sulphide mining is 'unbounded', 'unacceptable' and 'ongoing'; the 'volatile ore' is 'dangerous' and 'threatens' contamination of water; the effects of AMD are 'devastating'. SWUP does not believe permits or technology will contain risk: the permitting process is 'deficient', 'vague' and 'absent', while the technology is 'untested', 'unproven' and there is 'no scientific evidence' that system design will prevent leaking. Moreover, it believes Kennecott has 'a spotty track record' which is selling the community 'a bill of goods' since it has not 'proven it can operate a mine without risk of contamination'. It also implied that that the risks associated with AMD and non-local, outsider control by Kennecott creates economic risk for the community.

Two themes linked to risk in its discourse are economy and community: 'Economy and environment are one and the same in the Upper Peninsula. Both deserve our protection and respect.' SWUP values economic development, but contrasted the short-term economic gain of a few new jobs with the long-term economic prosperity engendered by the unique natural environment. It invoked the expertise of economists to claim that this kind of mining has not brought long-term gains to communities and concluded that economic development based on sulphide mining was 'unsound' and 'not worth the risk'. SWUP was careful not to be perceived as anti-mining: it repeatedly stated that the proposed mine is different from past and existing iron mines—'our mining history', which brought good jobs and prosperity to the region—in part because the iron from these mines was not found in sulphide deposits.

2 One factoid was 'nickel is found in a lot of our common, everyday foods, including chocolate' and was accompanied by a picture of a chocolate bunny.

3 Sources for the discourse analysis include SWUP 2007 a, b, c; Flesher 2007a, b; Pepin 2007a, b, c, d.

SWUP claimed as its identity the community of 'concerned citizens' of Marquette County. It called on experts in economics, engineering and the EPA to validate its claim that it represents 'prudent people' who 'love' the UP—again, using emotional language. It drew a clear boundary around these concerned citizens, and excluded not only the mining company with headquarters 'overseas', trying to exert external control over 'our' community and export the profits outside of the community; but also elected officials and the Department of Environmental Quality, who need to be 'reminded' of their responsibilities.

Keweenaw Bay Indian Community (KBIC)[4]

The Keweenaw Bay Indian Community (Ojibwa tribe) is located west of the Eagle Project site. It values its heritage and way of life. This includes maintaining the 'living web of relationships between our communities and the land' for the 'seventh generation to come'. The theme of spirituality was strongly linked to heritage and its language often evoked emotion. The proposed mine 'deeply offends the traditional and cultural values of [the] tribe' and the community was 'very saddened' when Michigan's DEQ proposed to accept Kennecott's mining application because 'the environment is not being respected or honoured as [they] have been taught' and 'water is a gift of life and is sacred'.

KBIC's identity is tightly connected to its heritage, which includes tribal people and their land. Since traditionally the tribe is strongly rooted in the natural world, the boundary of KBIC's discourse community ends at the borders of its land. Kennecott and the State of Michigan are firmly outside of this boundary; however, the discourse differentiates and includes 'the people of Michigan' by demonstrating concern for the welfare of this group and identifying a common purpose.

It believes the proposed mine 'is a very strong threat to the water of Lake Superior' and is concerned about the potential effects of the mine on the Yellow Dog ecosystem, including the herbals used in medicines, blueberries, deer and fish, which would negatively impact their hunting, fishing and gathering rights. KBIC doubts Kennecott's integrity due to its reputation for 'exploitation of the land' and its intention to reap 'huge profits derived from irreplaceable State natural resources'. The 'scientific and technical flaws' in the mining permit application further diminish Kennecott's credibility. The Tribe wants 'absolute assurance' Kennecott can protect their community, children and water—if not, it wants 'no mine'.

Comparison of discourse communities

Boghossian (2006) suggested that understanding a community's beliefs within the context of its social purpose may explain its approach to science and scientific solutions. This appears to be supported by our analysis of these discourse communities.

Kennecott and CFRM strongly believed that the application of rigorous science and technology is what assures accountability and safety and, therefore, protects the community and natural environment from the impact of mining, which creates the economic value that fulfils their social purpose. It allowed them to claim they have a rational (i.e. scientific) voice and exclude 'irrational' actors from their discourse. On the other hand, SWUP, NWF and KBIC strongly believed that science and technology have not proven their claims to protect the environment. Pointing to records of failure and system designs that cannot fully protect the environment, they turn to political means to

4 Sources for the discourse analysis include KBIC 2007; Schneider 2007; Brumleve (personal interview conducted via e-mail, 15 December 2006); Peterson 2005.

fulfil their social purpose of protecting the natural environment and human community that the mine places at risk.

Moreover, the more the discourse community believed in scientific solutions, the less it emphasised risk to the environment and the less emotional the language was. Likewise, the less the discourse community believed in scientific solutions, the more it emphasised risk to the environment and the more emotional the language was. Douglas and Wildavsky (1982) argue that such diametric viewpoints encourage the selection of facts to support the existing perspective, as opposed to dialogue.

With respect to identity, Kennecott strongly emphasised community, and saw itself as part of the local human community, which it vowed to protect. CCCTU, SWUP, NWF and KBIC emphasised local identity grounded in place and land. Interestingly, both Kennecott and SWUP claimed to value the benefits of economic development to the community and the mining heritage of the region. While SWUP and NWF identified broadly with citizens, CCCTU and KBIC restricted their identity to like-minded people or tribal members.

The concept of discourse community thus helps us begin to understand the disconnect between mining companies and some of their stakeholders. This is a preliminary study, limited by the sample of texts available to us and the number of interviews conducted; more in-depth interviews with members from each discourse community would be necessary to confirm the validity of these results. Nonetheless, the results are reflective of other situations in which local interests have opposed corporate interests in the region, suggesting surface validity for the results. Moreover, we have not suggested that any of these discourse communities reflect the dominant discourse in the community as a whole, which can be for or against a particular mine (Walton 2007).

Corporate social responsibility—an emerging discourse

Corporate social responsibility (CSR) is an emerging discourse in both academic and corporate circles, which claims to resolve conflicts between a firm's strategy to enhance its market share and profits with society's moral, ethical and ecological values (Carroll 1999; Livesey and Kearins 2002; Jenkins 2004). Werther and Chandler (2006) proposed integrating CSR into a firm's strategy, based on the belief that a firm has a moral obligation to benefit society and that CSR will bring long-term benefits to the firm. This approach is grounded in stakeholder theory: it requires firms to identify the economic, legal, ethical and discretionary issues that its stakeholders view as affecting the firm's activities. CSR thus implicitly values collaborative, win–win outcomes which serve both a company's and society's purposes. Nonetheless, the key word in CSR is 'corporate'—CSR is a strategy developed by a corporation in order to meet its corporate goals.

Researchers have examined the language of CSR in a variety of corporate media in the 1990s and 2000s, particularly in natural resources industries: oil industry websites (Coupland 2005), oil industry sustainability reports (Livesey and Kearins 2002); mining company reports (Jenkins 2004); mining industry social and environmental disclosures (Jenkins and Yakovleva 2006); and business codes of multinationals (Kaptein 2004). These studies identified a number of important and consistent themes:

- Societal legitimacy—CSR gives a licence to operate
- Responsibility to local communities
- Transparency of reporting, disclosures and accountability
- Protecting the natural environment (sustainable development)

- Strategies depend on choice of stakeholder groups: local community, NGOs, shareholders, government and public policy-makers
- Discourse of care versus rational discourse of accountability
- Observing relevant laws and regulations

The first two themes, legitimacy and community, are closely linked. Legitimacy theory depends on a social contract between a firm and the community in which it operates (Jenkins 2004). One of the ways a firm establishes its legitimacy is through reporting to the community. Sustainability reports of 40 large mining companies ranked community as a significant external issue, after commodity prices and the environment (KPMG 2000, cited in Jenkins 2004: 27).

In a case study of Rio Tinto's implementation of CSR in South Africa, Kapelus (2002) identified community as 'the distinctive narrative in the strategy of the mining sector for promoting CSR' (2002: 280). He noted that because the local community at a mine site is most directly affected by mining, it has the most credibility; not surprisingly, Rio Tinto expressed its commitment to CSR primarily in terms of responsibility to the local community.

But what is the 'community'? Mining companies face a complex task in defining it. Kapelus (2002) argued that it is most effective for the corporation to define community in a way that restricts the number of claims on a company. He concluded that in South Africa Rio Tinto defined community in a simplistic and undifferentiated way, favouring local authorities and elites as legitimate, which made it easier for the company to state there was no tension between ethics and good business and that its managers could readily implement CSR. However, emphasising community in this way as the cornerstone of CSR elicited a response that CSR was just a public relations strategy.

Extending Kapelus's argument, Jenkins (2004) analysed 16 mining company reports, and concluded that companies did not explicitly define community or delineate its boundaries, but used a language of mutuality and togetherness. Community was 'an inclusive term used to describe a diverse range of stakeholders' (2004: 28), and 'companies have preferred to identify the community in relation to themselves, with the company at the centre or heart of the community' (2004: 32). Jenkins interpreted this strategy as a response to mining companies' tendency to see situations in terms of 'scientific facts', whereas the communities in which they operate base their views on 'beliefs and perceptions' (2004: 26) and would not be able to understand complex scientific information. However, Jenkins's interpretation fails to recognise that science is also a 'belief and perception', and that, by attempting to reinvent themselves as the 'community', companies can create an identity that can be perceived as false by some community members.

Discussion and conclusion

The purpose of this paper was to reflect on the potential of CSR to generate a unifying discourse in the face of conflicts over new mines. Ali (2003) suggested that understanding stakeholder needs—i.e. the social purpose of discourse communities—can create a space for negotiation and reduce the resistance often generated by indigenous communities and environmental activists to mining. What can we conclude from our study of the Eagle Project?

Rio Tinto was an early adopter of CSR discourse. In the Eagle Project, Kennecott also adopted a CSR discourse and formed a Community Advisory Group (CAG) in order to be accepted by the stakeholders in the local community. Like Rio Tinto in South Africa,

Kennecott made community a distinctive theme in its discourse and, like Rio Tinto, it does not appear to have been completely successful. Kennecott's CAG was an effort to be inclusive and give local groups a seat at their table, where they could be informed about Kennecott's plans and provide feedback; Kennecott believes it got the majority of the community behind the proposal for the mine through its CAG. However, KBIC chose not to participate in the CAG and SWUP did not find CAG participation meaningful.

If the critical task of CSR is to create solutions that meet the goals of both the corporation and society, then engaging in CSR requires effective listening to the issues raised by all stakeholders, not only those who align with the corporate goals or the local elites or governments who may stand to gain the most from the economic activity of the firm. Claiming to speak as part of the community when the company stands outside the community can be perceived as disingenuous and regarded as 'just PR'. This can have the unintended consequence of raising the emotional level of the discourse against mining and escalating conflict. In the Eagle Project, Kennecott's strong belief in its science and technology may have prevented it from hearing the level of concern about environmental risk in stakeholder discourses, or it may have interpreted the concern as a failure to understand the science and technology that would mitigate risk. This would preclude meaningful dialogue across stakeholder discourse communities that could lead to collaborative solutions.

Although CSR is by definition the strategy of a firm, stakeholders also have something to learn about engaging in discourse with a CSR firm. If stakeholders define community too narrowly by defending primarily the interests aligned with their social purposes, they may also hinder or preclude the possibility of interacting with a firm and its other stakeholders to craft a solution. If stakeholders fail to listen effectively to the beliefs and values of the mining companies and use emotional language, they risk being judged prematurely and closing communication channels.

In the developing world, the legal concept of 'prior informed consent' is gaining ground: this is defined as the right of a community that faces the negative impacts of mining to be informed about mining operations on a full and timely basis and to participate in setting the terms and conditions of mining and post-mining operations. In December 2003, the World Bank's Extractive Industries Review endorsed this concept for Bank projects (Salim 2003). CSR's emphasis on reporting and gathering community feedback is consistent with this concept, but as a corporate strategy CSR is unlikely to go as far as enabling the community to set the terms and conditions of its operations without legal requirements to do so.

It is of course quite possible that the conflicting social purposes of multiple discourse communities cannot be resolved through a strategy of CSR which seeks to meet both the goals of the mining company and the goals of society, by voluntarily finding mutually acceptable solutions that allow mining while reducing risk through responsible practices. If the risks of a proposed mine are deemed too high and trust in the mining company is low, stakeholder groups may adopt a conflict-generating and legal strategy to stop a mine or to win significant concessions in the way a mine is implemented. In that case, a CSR strategy will have little effect on stakeholders and corporations 'must move from establishing facts to establishing acceptability' (Douglas and Wildavsky 1982) and would be better advised to seek mediation and adopt conflict resolution strategies.

In conclusion, mining companies and stakeholder groups can be characterised as multiple discourse communities with divergent social purposes who may find it difficult to talk to each other. Each has a set of beliefs and values reflected in its language-in-use which create specific identities, evoke emotions and set boundaries. The concept of discourse community coupled with the concept of stakeholders may improve understanding that leads to mutually acceptable solutions. However, it remains an open question whether the emerging discourse of corporate social responsibility can lead to truly

mutually acceptable resolutions of inherent conflicts with local stakeholders, or is simply a new means to promote a corporate agenda.

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