Corporate social responsibility at African mines: Developments, approaches and contestations

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How has the mining sector embraced and pursued corporate social responsibility (CSR) in sub-Saharan Africa? Over the past four decades, large-scale mineral extraction and exploration activity has increased precipitously in all corners of the region. This 'success' is owed to a series of reforms designed and implemented by host governments with the goal of luring the investment needed to bolster mine production and expand mineral prospecting facilities.[1] A continuous influx of finance for these purposes, has however presented significant environmental and associated community development challenges. Many of the companies that have responded to these challenges have been forced to work in communities where governance and regulatory oversight is sorely lacking, and to implement CSR strategies at sites where there are legacy issues, which often culminate in tensions with local groups. The process of designing and sustaining CSR strategies at mine sites in Sub-Saharan Africa is further handicapped by the sector's fluid and complex ownership structure, as well as the volatility of mineral markets, both of which have a profound impact on managerial strategy.

Drawing on findings from ongoing research, this paper examines the evolution of CSR in the region's mining sector, focusing primarily on how decisions in this area are shaped and reached at the site level. The paper uses a conceptual framework developed using ideas from literature in development studies, geography, and business and management to survey the impact of CSR strategies implemented at mines in the region over the past four decades. Decisions and outcomes linked to CSR are assessed, taking into account the unique subtleties of a globalised mining sector. These are as follows:

1) <u>Mining's enclave nature (i.e. fortress-like character, and how it is disconnected from local industries and societies) and, consequently, its struggle to catalyse local economic linkages</u>. The idea that large-scale resource extraction occurs as enclaves was popularised by James Ferguson. The argument proponents present is that capital investment tends to 'hop' into sites, as opposed to 'flow'.[2]
2) <u>The complexity and fluidity of ownership of the industry's companies</u>. This applies to *both* its major international players and juniors. Frequent and unpredictable changes in ownership potentially have major impacts on how community development challenges are conceptualised and tackled at the site level. Changes in ownership, shaped by mergers and acquisitions, in turn, influence CSR-related decisions made at sites.
3) <u>The lifecycles of sites.</u> A related point concerns the litany of owners across what can be highly-dynamic exploration and production phases, and the relations they forge with communities. These changes further impact legacy as they relate to community-led development and engagement.

[1] Campbell, B. 2003. Factoring in governance is not enough. Mining codes in Africa, policy reform and corporate responsibility. Minerals & Energy - Raw Materials Report 18(3): 2-13; Pegg, S. 2006. Mining and poverty reduction: Transforming rhetoric into reality. Journal of Cleaner Production 14(3-4): 376-387.
[2] Ferguson, J. 2005. Seeing Like an Oil Company: Space, Security, and Global Capital in Neoliberal Africa. American Anthropologist 107(3): 377-382.

Using this three-pronged lens, the paper maps CSR-related developments in the region's mining sector from the earliest period of reform in the late-1980s and early-1990s; through the 2000s, a phase marked by an unprecedented expansion of mineral extraction and exploration of all types, buoyed by commodity booms and unprecedented Chinese-linked investment; to the present, a time when companies continue to navigate the global pandemic while simultaneously investigating ways in which they can contribute to a rapidly-concretising environmental, social and corporate governance (ESG) agenda now at the heart of most businesses' operational strategies. The paper draws on experiences from Ghana, Tanzania, South Africa, Mali and Burkina Faso - the largest gold producers in Sub-Saharan Africa, and where there is evidence of legacy and volatility in ownership at major mining projects.

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