

The role of gender and leadership legitimacy in securing a social licence for mining firms: A case of Namibia and South Africa

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Purpose-driven firms lay the groundwork for long-term success by focusing on people, the planet, and profit. The typical way of business operation, with a primary focus on profits only, is no longer viable. It is now essential for companies to work towards earning their social licence to operate. The study of social licence to operate (SLO) was developed in the mining industry as a response to complaints about mining projects, and as a means to guarantee responsible mining, protection of the environment, engagement with local communities, conservation of the living standards in impacted areas, and, eventually, the mining industry's sustainability. This paper uses a case study methodology to analyse the SLO in two African countries. It not only analyses the SLO in general but seeks to apply a gendered approach in understanding the concept and the role that legitimate leadership plays in obtaining a social licence to operate for the company, and the community in which it operates. The mining sector is traditionally male-dominated, and patriarchal societal traditions restrict the opportunities for women to be involved. Literature studies reveal that structured dialogue on the participation of women in mining only began in the last three decades. At least 30% of the world's mining industry is made up of women, with many individuals believing that women should not work in the mining industry. In Namibia, only 10% of executive directors are women and in South Africa, only 21% of women sit on mining boards. Women have made slow progress in the mining industry, despite their significant contribution. Before, during, and after mining activities, social licence is a continual process that must be maintained. Mining firms have the best of intentions when it comes to reaching out to their communities, but whether or not they do so is another matter. Historically, mining firms in Africa have a poor track record of adopting sustainable and responsible mining practices, having left unrehabilitated and abandoned mining sites and income shortfalls for future generations and governments to fill. Hence, one of the most crucial issues faced by mining firms today is securing a SLO and without legitimate leadership, securing this SLO can be difficult. There appears to be a legitimacy gap in understanding the social licence to operate; therefore this paper seeks to explore the role that gender and legitimate leadership have played in filling in this gap in Namibia and South Africa.

Keywords: Gender, leadership, social licence to operate, Namibia, South Africa

INTRODUCTION / BACKGROUND

For nearly two decades, the social licence has been researched, but the focus has been chiefly from an industry point of view, and the method has often been company-driven¹. The purpose of this paper is to explore the role that gender and legitimate (input-, throughput-, and output) leadership have played in securing a social licence to operate (SLO) in Namibia and South Africa. Although Sub-Saharan Africa boasts the world's richest mineral resources, the continent's social and economic progress has lagged². Considering that an SLO is related to governance and leadership difficulties, the African perspective presents challenges. From a political standpoint, the critical difficulty in Africa continues to be the legitimacy of the current crop of leaders, who prefer to maintain political power by manipulating elections. The mining sector is constantly dealing with social issues. As a result, local communities and governments have little control and influence over decision-making in the extractive industry³. Community leaders must lead their communities in identifying and addressing their needs. The requirement for an SLO indicates that mining companies must obtain extensive support from the community for their activities to minimise costly disputes and economic problems. It is imperative to remember that, because of their proximity to mineral development projects, they are indeed the ones who suffer the most due to mining activities⁴. Several interpretations of the social licence phenomenon are articulated from a legitimacy position. It is still uncertain how legitimacy is confirmed or how the community can question the legitimacy of mining activities except through protests, especially in countries like South Africa,⁵ and how communities have heavily contested marine phosphate mining operations in Namibia⁶. Companies' legitimacy claims must be measured and evaluated, which is frequently difficult in instances where there are conflicts amongst legitimacy-seeking communities. Therefore, it is impossible to overstate the importance of considering legitimate leadership from a company and a community standpoint because in practice, identifying the individuals who must grant an SLO might be difficult.

Globally, for several years now, women have pushed for a position in the mining sector. Among other things, they serve in leadership roles, operate machinery, and engage in small-scale mining. New mining legislation in South Africa not only prohibits gender discrimination but also requires firms to modify their workforce's demographic profile⁷. The three topics that dominate the debates on women and mining are the social effects of mining towns on women, unequal employment, and women's under-representation throughout obtaining a social licence. According to studies, women are less involved than men in creating mine-community ties to obtain a social licence to operate⁸.

METHODOLOGY

A comparative case study approach was used in the paper⁹. The method included the use of secondary qualitative data (i.e., documents, journals, official reports from companies, websites, and news). Case studies allow for in-depth, multi-faceted explorations of challenging issues in their actual environments. When an in-depth understanding of an issue, event, or phenomenon of interest in its natural, real-life

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³ Musiyarira, H. K., Shava, P., & Dzinomwa, G. (2021). An interrogation of the approach to social licence to operate (SLO) on the African continent. *The Extractive Industries and Society*, 8(2), 100741.

⁴ Musiyarira, H. K., Shava, P., & Dzinomwa, G. (2021). An interrogation of the approach to social licence to operate (SLO) on the African continent. *The Extractive Industries and Society*, 8(2), 100741.

⁵ Nyembo, N., & Lees, Z. (2020). Barriers to implementing a social licence to operate in mining communities: A case study of peri-urban South Africa. *The Extractive Industries and Society*, 7(1), 153-160.

⁶ Leeuwerik, R. (2018). The Challenge of Gaining Societal Acceptance for the Emerging Seabed Mining Industry: A Comparative Case Study to the Social Licence to Operate for the Seabed Mining Industry in Namibia. Wageningen: University of Wageningen.

⁷ Botha, D. (2016). Women in mining still exploited and sexually harassed. *SA Journal of Human Resource Management*, 14(1), 1-12.

⁸ Bastian, B., Zhang, A., & Moffat, K. (2015). The interaction of economic rewards and moral convictions in predicting attitudes toward resource use. *Plos one*, 10(8), e0134863.

⁹ Yin, R. K. (2009). Case study research: Design and methods (Vol. 5). sage.

setting is required, the case study approach is particularly effective. Multiple case studies were developed, and mining companies in Namibia and South Africa were the focus of the case studies.

FINDINGS

In South Africa, the Minerals Act was repealed after the country gained democracy in 1994, making way for a new regime that gave the state mineral rights. In the face of some of these systems, there appear to be tensions between communities, governments, and multinational corporations, as can be seen with Anglo American Platinum¹⁰, Marikana platinum mine¹¹, MC Mining's Uitkomst mine,¹² and Rio Tinto RMB¹³. Without the right leadership, political upheaval threatens mining in this country, and obtaining a social licence to operate is becoming more complicated, despite investments in the local communities wellbeing¹⁴. Even though the state owns all land and citizens have 'use' rights in Namibia, tensions in mining towns have been minor¹⁵. In Namibia, like most mining countries, requirements for socio-economic impact assessments are subsumed in environmental impact assessments during the project phase of the mine life cycle, and it is not required after the mine comes into full production. However, mining companies in Namibia use corporate social responsibility (CSR) as a commercial strategy for gaining favour with people in the areas where they operate. Compliance with CSRs entails earning acceptability from the local community, which grants a mining firm a social licence to operate in a certain area or community¹⁶. Most mining projects in Namibia are currently not located near towns, however, this could change in the future. Due to the collaboration between government agencies and local community leaders, the few multinational corporations working with communal 'traditional' land boards and government have successfully integrated. Namibian marine diamond mining demonstrates how stakeholders' engagement during decision-making processes impacts levels of legitimacy in mining choices and operations.¹⁷

Women's direct involvement as mineworkers is limited in large-scale, commercialised mining¹⁸. To understand women's choices in mining, one must look beyond victimhood discourses to perceive women as significant actors within the mining industry, and as active economic actors at home, who support and nurture mining communities and consider what mining means to poorer communities¹⁹. "Even where women have entered in small numbers to take advantage of the better pay offered by many large mining projects, they tend to remain at the bottom of the company hierarchy."²⁰ Ideally, women should also have the same rights as their male colleagues in all respects, including decision-making. Because mining businesses mistakenly believe that men speak for the entire community, women are severely underrepresented in community discussions and decision-making, both in terms of negotiating the entry of mining firms and decisions regarding how compensation payments should be used²¹. To this effect, there is a need for broad participation by women in community discussions, and decision making for both to be representative and effective in the long term.

¹⁰ Garrun, D. (2012). Risky business: Anglo American's South African struggle. Available from <https://www.mining-technology.com/analysis/featureanglo-american-mining-operations-struggle-south-africa/>

¹¹ Hawa, N. (2016). Ethics Watch: Africa – Lonmin 'has failed to learn lessons of the Marikana massacre. Available from <https://www.reuters.com/sustainability/ethicswatch-africa-lonmin-has-failed-learn-lessons-marikana-massacre>

¹² Seccombe, A. (2021). Unrest forces MC Mining to close KZN colliery. Available from <https://www.businesslive.co.za/bd/companies/mining/2021-07-13-unrest-forces-mc-mining-to-close-kzn-colliery/>

¹³ Ryan, C. (2021). Force majeure at Richards Bay Minerals is a wake-up call for SA. Available from <https://www.moneyweb.co.za/mineweb/force-majeure-at-richards-bay-minerals-is-a-wake-up-call-for-sa/>

¹⁴ The Africa Report. (2021). South Africa: Without the right leadership, political unrest threatens mining. Available from <https://www.theafricareport.com/120423/south-africa-without-the-right-leadership-political-unrest-threatens-mining/>

¹⁵ Debrah, A. A., Mtegha, H., & Cawood, F. (2018). Social licence to operate and the granting of mineral rights in sub-Saharan Africa: Exploring tensions between communities, governments and multi-national mining companies. *Resources Policy*, 56, 95-103.

¹⁶ Nande P. (2017). Corporate Social Responsibility: The Need for Legislation in the Namibian Mining Sector. 1 Jun 2017 - 10:30

¹⁷ Leeuwerik, R. N. C., Rozemeijer, M. J. C., & Van Leeuwen, J. (2021). Conceptualizing the interaction of context, process and status in the Social License to operate: The case of marine diamond mining in Namibia. *Resources Policy*, 73, 102153.

¹⁸ Jenkins, K. (2014) Women, mining and development: An emerging research agenda. *The Extractive Industries and Society*, 1 (2) 329-339.

¹⁹ Lahiri-Dutt, K (2012a). Digging women: towards a new agenda for feminist critiques of mining. *Gender, Place and Culture*, 19 (2), 193-212.

²⁰ Lahiri-Dutt, K. (2010). The Megaproject of Mining: A Feminist Critique" in S. Brunn ed. *Engineering Earth* Springer

²¹ Lahiri-Dutt, K. (2010). The Megaproject of Mining: A Feminist Critique" in S. Brunn ed. *Engineering Earth* Springer.



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