Commentary on Dashwood 2014

This is an interesting article, which seeks to come to grips with what is influencing the voluntary initiatives adopted major mining companies to meet their environmental and social responsibilities. It seeks to accomplish this through a comprehensive review of CSR reports and interviews with the leaders from ‘two companies’. Though insightful, this paper raises several points which require further clarification, and fails to provide many answers. Its biggest shortcoming is, rather ironically, its greatest strength: simplification of a multidimensional issue that cannot really be simplified, namely, CSR in the mining sector. The discussion that follows here highlights some specific points in need of further clarification.

The first point concerns the validity of CSR in the mining context. The author mentions, on page 8, that ‘the possibility that major mining companies’ reputations are disprportiontely hurt by the negative externalities caused by others in the industry explains the willingness of some to take on a leadership role in forming an industry club’. Many in the NGO world – including many mentioned in the paper (e.g. MiningWatch Canada) would argue otherwise: that a social license and the quality of CSR mean nothing when powerful stakeholders such as governments and financiers are pushing the project.

A second point concerns what CSR means in the context of mining. The author seems to put a considerable amount of trust in what is said in company reports and what comes out of the mouths of senior mine management. Perhaps – indirectly – the author has alluded to what CSR is all about in the mining context: reporting and rhetoric. Mining companies are trailblazers of CSR, and their skilful crafting of ‘feel good’ stories has aided with their setting up of operations in a wide range of very challenging settings.

This leads to a third point, which is geographical context. The author speaks of CSR in the mining sector in very general terms, seemingly oblivious to how companies are working in a range of settings. What, then, motivates a company to adopt a voluntary intervention in, say, Ghana as opposed to Canada? Clearly there are very different rules, pressures and benefits from doing so in both very different landscapes. Often, proponents of CSR argue that operating in the same way on the CSR front, regardless of setting, is most optimal for business. But how about the counterargument: that it is not optimal for business. Why, for example, would a profit-making entity such as a mine opt to do something in say, Ghana, when it would cost more to do so? ‘Operating uniformly’ across the globe is an inadequate argument in support of this especially how, in the best of cases, it is anecdotal.