

Sustainable Development in the South African Mining Sector

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Abstract

The mining sector in South Africa has enjoyed decades of profiteering and unchecked neglect of developmental needs of surrounding communities. Most of the communities surrounding South African mines are therefore synonymous with social problems that include poverty, poor health, unemployment, adult illiteracy, poor housing, family disorganisation and high influx of unaccompanied migrant labour. Recently, external forces, including globalisation, the government through the *Mining Charter and the Mineral and Petroleum Resources Development Act* (MPRDA), and the communities have put pressure on mining organisations in South Africa to start behaving like a corporate citizen, taking social responsibilities and work towards sustainable development in the areas that they operate.

This paper is based on research commissioned by a platinum mine in the North-West Province in South Africa to ascertain community developmental needs according to the stakeholders' perceptions. The qualitative research entailed undertaking focus groups and interviews with members of the surrounding communities and other interested parties.

Perceptions of sustainable development differed between the mining company and the communities in terms of:

- What constitutes sustainable development?
- Who is responsible for effecting sustainable development?

In response to hunger and poverty the communities focussed on fast money-making projects that may or may not have much impact on sustainable development. For the mine, as a profit-making company, sustainable development has been rhetoric used to keep onlookers and the government happy by initiating small semi-cottage industries with short lifespans because of limited investment and involvement. Whilst at the same time, mining companies are also trying to keep the shareholders happy by not interfering with profits.

The challenge for the researchers was to make recommendations that unite these diverse agendas into a common goal of achieving sustainable development.

Keywords

Community satisfaction, human centred approach, mining community, social responsibility, sustainable development

1. Introduction

The unique characteristics of the mining environment in South Africa are that mining communities are mainly isolated, originally rural with high illiteracy rates and are very dependent on the mining companies for their livelihood and development. The rural-based environment often becomes barren and is associated with ugly landscape from large-scale excavation. In addition, communities are often exposed to toxic environmental hazards from mine operation wastes. Mining is, by its nature, a temporary activity because of its dependence on the available mineral deposits. It is also fast growing and is associated with high earnings for the mining corporations, which have an impact on the local communities who are usually unable to respond to this across-the-board momentum because of their rural-based background. Consequently the local population experiences cultural shock and do not respond effectively to the developmental changes, occupational skills requirements and the rapid change from an agricultural-based society to a cash dependent environment. This has resulted in companies depending on labour from elsewhere.

A discussion of the mining communities of South Africa is not complete without looking at the political history of the sector and the subsequent power relationships between the mining corporations, government and communities. Mbendi (2002) suggests that in order to get a better understanding of the political history of the sector it is important to look at the historical background of migration in the mining industry. Schoofs (1999) argues that the scale of mining explains why the draconian system of migrant labour was imposed and, in turn, paved the way for apartheid. To maintain profitability, the mining industry required cheap labour and consequently looked outside its borders. In addition, he argues that white labour, imported for their mining skills and experience shortly after gold was discovered in 1886, saw blacks as a threat to their relatively high wages. To combat this threat, the white unions, amongst other things, forced the industry and then government to adopt the 'colour bar', banning blacks from skilled jobs and preventing black families and black workers from settling permanently in mining towns. These policies were the forerunner of the apartheid system. The impact of these policies on the social and economic conditions in mining communities has been identified as the major risk factors associated with poor developmental issues in these communities.

As a consequence of the above-mentioned background, mining communities in South Africa are characterised by poor social conditions such as poverty, unemployment, poor housing (and overcrowded single-sex male hostels) and infrastructure, prostitution, poor health as well as the high influx of unaccompanied documented and non-documented migrants.

Despite the new political dispensation in 1994, these social and economic conditions still persist in the mining communities. Globally and nationally, there has been pressure on corporations to be more corporate accountable for and transparent about their actions in the communities that they operate. This entails that companies not only focus on the profitability and production of the company, but direct the focus of their core business to corporate social responsibilities, which implies being involved in sustainable development in the communities.

The developmental issues raised in this paper are the result of a qualitative research undertaken in the surrounding communities of a specific platinum mine in South Africa in the North-West Province.

2. Objectives

The objectives of the paper are:

- to introduce and discuss the concepts 'sustainable development' and 'corporate social responsibility' (CSR) in the context of the South African mining sector
- to make recommendations related to improvement of community engagement, which will help mining companies in South Africa achieve their corporate social responsibilities (CSR) and ensure sustainable social development.

3. Sustainable social development

3.1 Conceptualisation

Sustainable development in the mining sector was initially focussed on the economic sustainability of the mining companies; with the subsequent pressure from the environmentalists, this concept was extended to include the impact of mining operations on the environment. An example of such a definition is reflected by the following statement: "Using the economic engine by mining to build an economy that survives and is better off after the end of the mining" (Joyce and Smith 2003). However, this narrow definition has expanded to include political, educational, psychological and social dimensions. Taking account of this wider perspective of the concept, Treurnicht (1997, p. 31) and Kirkby et al. (1995, p. 2) define the concept as including social and economic progress, which ensures human development and during which the basic needs of the

present are satisfied. Future generations are not compromised by the definition because each generation must use their own capacity to satisfy their needs.

On a theoretical level, the concept of development has been historically analysed from a macro perspective. More specifically, the modernisation theory, dependency theory and world system theory are the historical foundation stones of development studies. They are essential parts of the knowledge of anyone entering this field. At the time of their introduction, these theories established for the first time the principle that First World countries dominate and actively underdevelop Third World countries (Graaff and Venter 2001, p. 77). Most of these theories refer to action plans, strategies and programs aimed at improving the situation of less developed or under developed countries. The emphasis is on institutional and organisational issues, and the changes thereof. Most definitions within this theoretical paradigm include the assumption that physical quality of life can be measured and that the physical quality of life index can provide us with a mechanism for measuring development along a composite axis. This index is based on the assumption that by implementing specific plans or programs, it is possible to introduce factors that will move a society along the development path. Coetzee (2001, p. 119) further states that the word 'development' therefore carries with it the connotation of a favourable change: moving from worst to better, evolving from simple to complex, or advancing away from the inferior.

Some of the major criticism from some micro-foundation theorists against a structural approach, like the modernisation approach to sustainable development, is that it is a top-down approach that focuses basically on economic growth and material prosperity. Coetzee (2001, p. 119) suggests that development does not only imply the satisfaction of basic needs, but also the right to live a meaningful life. The modernisation approach implies a linear evolutionary process. At one end of this line there is the traditionally underdeveloped societies, and at the other end the modern and differentiated societies, which reflect the current mining situation in South Africa. The modernisation approach and other structural approaches do not address the 'deeper dimensions' of underdevelopment and obviously individuals are largely ignored and excluded by such approaches. The human-centred approach to development seems to be the most appropriate in addressing the social and human elements of development in the South African mining sector.

3.2 The human-centred approach

The human-centred approach attempts to allow individuals to participate actively and interactively in different programs and processes in order to stimulate sustainable development. This approach is, according to Coetzee (2001, pp. 118-39), not only an attempt to include individuals and allow them to participate, but the focus also falls on the personal growth of each individual.

In addition to the basic needs that have to be met, the right of each individual to live a meaningful life comes strongly to the fore. We can therefore say that human-centred development as a micro (interaction) approach is the process that includes all aspects of life in society and in relationships between people. 'New' concepts such as abilities, civil society, decentralisation, democracy, diversity, empowerment, environment, globalisation, human rights, participation, share holder, sustainability, etc. subsequently form an integral part of an interactive human-centred approach. Traditional values like the peaceful communal living together of people, justice, respect, etc. can easily be used as basic point of departure for the human-centred approach.

Although the theoretical approach of this research was primarily on a micro level, it is important to state that macro and micro approaches to development are not mutually exclusive. In fact, viewed together, they are complementary. In terms of implementation, the theories lack practical application especially with regard to identifying the responsibilities of the role-players. In the South African mining environment the developmental initiatives have until recently been on a voluntary basis. Consequently, most developmental programs by mining companies have been philanthropic initiatives in communities surrounding the mines or via national programs in education, health, welfare or small business development. Hamann and Kapelus (2004) argue that although these initiatives have, in some cases, represented welcome developmental contributions, they have had little impact on the root causes of social problems surrounding the mines. Furthermore, the research findings were that most community members perceive the developmental initiatives by the mine as 'window dressing' and artificial.

To overcome this, the concept of 'corporate social responsibility' (CSR) has become the buzzword for social developmental efforts. But again, like sustainable development, this concept is surrounded by ambiguity and vagueness. In the next section the concept will be discussed in terms of the South African mining context.

3.3 Corporate social responsibility (CSR)

As mentioned above, the issue of corporate social responsibility remains vague with numerous descriptions and interpretations of what it entails. For example, the European Commission (Hamann and Kapelus 2004) defines corporate social responsibility as "Essentially a concept whereby companies decide voluntarily to contribute to a better society and a cleaner environment." The problem is that theory and practice are two different things; mining companies have written their intentions into their company policy documents, but there has never been a check on whether these intentions have been implemented.

The current state of the South African mining communities is a case in point, in showing that most of these policies have been stated but not implemented despite the new political dispensation. To overcome the voluntary nature of CSR and to ensure that companies are accountable for corporate social responsibility, the South African Government has instituted regulatory policies through the South African Mining Charter (2002) and the *Mineral and Petroleum Resources Development Act* (MPRDA 2004). In summary, these policies require that mining companies should achieve 40 per cent historically disadvantaged South Africans (HDSAs) participation in management and 10 per cent women participation in mining within five years. In terms of the communities, regulation 46 (c) iii of the Act specifically requires mines to support infrastructure and poverty eradication projects in line with the Integrated Development Plans (IDPs) of the area in which the mine operates and of major labour-sending areas. The development of community capacity is a crucial component of establishing a sustainable community and, therefore, the government requires that each mine prepare a comprehensive integrated development and implementation plan for communities where mining takes place and for major sending areas. These regulations have now become a prerequisite for mining license renewal.

What the MPRDA has done with the Mining Charter is put issues of corporate social responsibilities and sustainable development in the hands of the mining industry at national policy level, but what it has not done, is spell out what this means in practical terms. The result is that the voluntary nature of these concepts still exist in terms of how companies choose, and to what extent, they implement their corporate social responsibilities. Ultimately, the government hasn't got a measuring tool or benchmark to ascertain to what extent companies are implementing their corporate social responsibilities.

Against the above mentioned background and the findings of this research, taking account of the South African political, economic and social history, the researchers recommended that mining companies take account of the following underlying critical factors in order to prepare the groundwork towards achieving sustainable development and community engagement, namely acculturation stress, power relationships and communication.

4. Underlying critical factors

4.1 Acculturation stress

In the South African context it would be thoughtless to ignore the impact of the legacy of apartheid and how communities and corporate organisations are dealing with it. It would appear that although the state apparatus of apartheid has been dismantled, the principles still linger in industry. In the mining industry this is reflected by the two worlds that exist between the corporate

organisations and the communities that surround them. Change has come for a few blacks in the middle class, but for many South African blacks the dream of democracy has turned into a meaningless apparition of self-determination (Frye 2004). There needs to be a change of mindset in both the communities and the corporate organisations in how they relate to each other in the new dispensation and let go of historical and traditional ideologies.

As stated previously (see section 3.3), the current political and socio-economic environment of the South African mining sector has been going through some significant changes, since the change in the political regime in 1994 and the enactment of the *Mineral and Petroleum Resources Development Act* (2004). This change affects all South African citizens in that it impacts on how they respond to the changes taking place and how they relate to each other. The white communities and employees at mining companies and other organisations have to adapt to changes that require them to move from their privileged position to equal access to resources and services with the black population (see section 4.2). At the same time the black communities and employees have to adapt to changes that move them from their disadvantaged position to equal access to resources and services as their white counterparts. This process involves ongoing changes in identity, behaviour, social practices and institutions for cultural groups in continuous first hand contact with each other. This is reflected in the acculturation strategies adopted by the different cultural groups. The following are some comments illustrating some acculturation stresses being experienced in response to the new political, social and economic dispensations.

“The employees are not responding well to the changes; there is friction and people just do not mix.” (Mine general manager)

“The adjustment is difficult for both black and white. For the white staff members it is usually job security issues. Since the beginning of equity in employment, the white staff members have been finding it difficult to feel secure in their jobs. Even for the black staff members there is stress related to the job, finances and family issues. There have been several suicides this year. Three staff members committed suicide and one attempted suicide. These suicides were from both black and white staff members...” (Mine general manager)

“The mine is still ‘apartheid’. We do not want ‘apartheid’; the company is absolutely no good...some of the management should bring their wives and children and stay here for a week and see if they like it.” (Community member)

Berry (1997) argues that in order to cope with acculturative stress cultural groups adopt several acculturation strategies. Berry (1997) identified four strategies or styles that individuals or cultural groups may adopt as options of the acculturation process, namely:

- **Integration**

This suggests the integration of various facets of identity. Here the person or group adopts identifications with traditions and values from two or more cultures, usually engaging in activities from these traditions. It entails maintenance of own culture and contact with other cultures leading to a positive identity and tolerance of others. Berry (1997, p. 24) found that integration clearly demonstrates a “substantial relationship with positive adaptation.” It also appears to be the most effective strategy in terms of long-term health and wellbeing as indicators. Integration is also reported to have positive correlation with self-esteem (especially in American minorities such as the Hispanics, Blacks and Asians). This form of acculturation strategy was not observed in the communities surrounding the mine. There were very few non-business environments where black and white community members engaged in activities together unless they were mine initiatives.

- **Assimilation**

This occurs whereby groups or individuals forego the maintenance of their traditional ethno-cultural heritages and take on the cultural ways of the host society. This form of acculturation strategy is observed in the black management of the mine. In order to get on and be tolerated they have had to assimilate to the behaviours and attitudes of their white counterparts. On promotion to managerial positions, most have had to move away from their villages to Mooinooi, a predominantly white community. Throughout the survey there were some negative attitudes towards the practice of moving people away from the villages when they are promoted; in addition the view was that once the blacks are promoted to these positions they change their behaviour and become ‘sell-outs’ in order to fit in. At the same time some mine management have been quoted to say:

“It is not so much about race and gender. It is about people recruiting and selecting people that fit the current culture — guys that you feel comfortable with.” (Mine Manager)

Phinney et al. (1992) found that assimilation can have a negative correlation with self-esteem, which can impact on individuals or groups’ self-actualisation.

- **Separation or segregation**

This strategy is used when the group’s relative dominance (in terms of social and economic system) is that of a superior position. Essentially this style involves the maintenance of cultural behavioural patterns, values and identities without acceptance of the behaviours, values or identities of other groups. Of all the strategies described, this most describes the acculturation strategies adopted by the mine. The mine has maintained the separate development between the local populations, culminating into two worlds of poverty and wealth. The racial divide has been maintained, with the few blacks living in the predominantly white village (Mooinooi). However, reports from the communities are that most of the white management has moved

away from the village and are now setting up home in Rustenburg (a city about 40 km from the mine). Some respondents have argued that most of the black people you see in the village are either relatives of the black management that live there, or they are domestic workers. To a casual observer this style of acculturation may appear advantageous to the white population in that it enables them to maintain their traditions and dominance. Further analysis reveals that this style of acculturation has its disadvantages that may outweigh the advantages, especially in the current political and socio-economic climate of South Africa. Some of these negative aspects are reflected in the current relationship between mining companies and their communities:

- Mistrust and antagonism between the communities and the mine
- Lack of knowledge about the communities resulting in inappropriate project initiatives and poor interpretations of why communities are resisting participation in such projects
- Planning activities without involving the communities as if to say 'we know what is good for you'
- Mindset and attitudes towards the blacks remain within the apartheid paradigm. As a result, social and development activities initiated by the mine are perceived as disrespectful and insulting to communities that want to be treated like adults. Benchmarks and attitudes about the working and living conditions that blacks can tolerate are based on past attitudes and remain very low.
- Insecurities amongst the white population about the future and the possibilities of relating to the black population on an equal footing.

- **Marginalisation**

Berry (1997) suggested that this style has been associated with poor positive adaptation where individuals who are characterised by marginalisation tend to be shut off or cut out of both traditions, having few or no connections for the development of positive social support and recognition. Marginalisation is characterised with confusion, anxiety, striking out against the dominant group, feelings of alienation, loss of identity and acculturation stress. This analysis can be used to describe how the black communities are reacting and feeling about the challenges and opportunities that the new political dispensation has brought about. At the same time feeling the frustrations of being marginalised by the mining corporation's perceived discriminatory policies. The themes coming out of the interviews with the communities reflect this confusion and have contributed to the difficulties experienced in setting up projects and fully understanding the needs of these communities. There are two aspects of communities' needs that have been affected by this style of acculturation, namely the physical developmental needs as well as self-actualisation needs. Some of the abovementioned confusions and anxieties are:

- There are constant expressions of wanting to be self determined throughout the survey, but at the same time implying that they want the mine to maintain the paternalistic relationship that existed in the past.
- Sentiments of wanting the mine to go away because they have caused so many problems to the communities were echoed throughout, but at the same time there were feelings that the communities need the mine and if the mine left the consequences would be disastrous.
- The traditional leaders felt emasculated (undermined) by the economic dominance and power of the mine, which has resulted in the loss of control over community groups such as youths and women, who are now more focussed on cash generation using whatever strategies conceivable (e.g. prostitution) even if it means ignoring culture and traditions.

Interviews with some of the mine management indicated that they are aware of the acculturation process and want to be part of the changes. Generally, it is difficult to make changes when the institutional and societal structures that contributed to the problems remain. As indicated above, the most appropriate acculturation strategy is the integration strategy. To achieve this, there is a need to eradicate the discriminative institutional and societal structures of the past, for example single sex hostels and dubious recruitment criteria. The mine therefore must look at the power relationships between government, itself and the communities, taking account of the strength and weaknesses of each party.

4.2 Power relationships

Garvey and Newell (2004, p. iii) argue that mainstream approaches to corporate social responsibility underestimate the importance of power in the relationship between corporations and the communities where they invest, which limit their applicability to many developing country contexts in particular. The impact of corporate self-regulation (Hansen 2002) has been that corporate organisations, especially transnational corporations, are able to wield more power than most developing countries' governments because of their financial and global clout. The result of this is that communities, especially those associated with the extraction industry, have found themselves in a more vulnerable position because their closest ally (the government) may not be in a position to support them as a result of international pressures. Generally, communities are vulnerable in negotiation because they are disadvantaged in the factors that are prerequisites for strong partnerships. According to Murphy and Bendell (1997, p. 218) these prerequisites include:

- (i) media and public concern and company vulnerability to these
- (ii) an organised civil movement with enough finance, commitment and adequate level of competence
- (iii) genuine commitment of all parties to the partnership process.

Cornwall (2000) argues that power dynamics continue to be important even once a supposedly equal place at the table has been negotiated. There are issues of agenda setting and partnerships suggest that all agendas are accommodated. This assumes a position of leverage on behalf of the community with the capacity and confidence to participate effectively. It also overlooks the strategies that can be employed by the powerful to control the agenda and frame the issues in ways, which deny spaces for opposition. If this is not handled well, the issue can frustrate any possibility of equal and satisfactory partnerships. For an effective strategy there needs to be both change within powerful institutions, such as the state and corporations, to respond to the call for accountability and participation and also within affected communities if they are to take advantage of opportunities for increased representation. Currently, the mine's agenda for working towards partnerships are uncertain because community members are aware of the mining licence requirements; therefore do not trust the mine's current motivation for change.

4.3 Communication

In order to avoid the difficulties relating to acculturation processes and power relationships, and to build good relationships with surrounding communities, the mine needs to establish a communication department with a dedicated community relations division. Community relations should be approached from a strategic viewpoint, because communities nowadays hold the company's social license to operate. Therefore a community communication strategy is of utmost importance to manage and facilitate participative communication with stakeholders, amongst others, different levels of government, NGOs and the communities.

According to the World Bank and International Finance Corporation's report (2002, pp. 15-16), the importance of good communication between the company and its neighbouring communities cannot be overemphasised. Companies should begin early, be open and give lots of information. Companies should make use of the media that is available to them. The most effective and most cost effective include local radio advertising using all the languages. This is the least discriminative because it includes people who cannot read. Posters in key areas such as clinics, shops and village centres are also effective. It is essential to have a clear mission with regard to the project. There should be a group of senior managers dedicated to these tasks. Communication and support must be spread wider: within the company and relevant government departments. Furthermore, it is important to understand the hierarchy within the community structures when communicating to prevent offending people, for example traditional leaders. Improving communication with all facets of the communities is a process which starts with improved integration and power relationships between government, communities and the mine. This process facilitates a better understanding of the social capital and cultural practices within

the communities ensuring representation of the disempowered groups within communities, such as women, the elderly, children and youth.

In order to substantiate a human-centred approach, developmental priorities must be taken in context of the communities concerned. In view of this, developmental priorities were identified for each of the mines' surrounding communities and will be briefly discussed.

5. Priorities

The aim of prioritising issues is to provide some practical guidance on what developmental issues the mining company and interested parties need to undertake as priority to achieve sustainable development. The priorities identified were based on each community's perceptions of their priority needs and theoretical guidelines (e.g. Maslow's theory of hierarchy of needs — Graham 1982, pp. 17-18; the Human Development Index (HDI) — UNDP 1994, pp.129-31; the wishes/desires theory of Thomas — Rossides 1978, p. 429; and priorities set by the National and Provincial Government).

One of the major practical issues related to sustainable development and corporate social responsibility is identifying who is responsible for what amongst the stakeholders. Part of the research was to identify the perceived responsibilities by the different stakeholders.

6. Perceived responsibilities

The term responsibility has many facets and meanings. Consequently, it is difficult to identify the person, group or organisation responsible for undertaking certain duties and activities in the relevant communities. Literature review suggest that there is a constant 'tug of war' between government, mining corporations and communities with regard to who is responsible for developmental aspects in the communities. The implication of this has been that a lot of developmental issues in the communities have remained stagnant and communities remain underdeveloped whilst the various parties have been passing the buck over who is responsible. Pasco-Font (2002) suggests that it is important that there is a clear split of responsibilities between government, mining corporations and their respective communities. If this is not clarified, it can lead to resentment between the communities and the mining corporation; a sentiment that may be misdirected because perceptions relating to who is responsible is wrongly placed.

The percentages of respondents who identified different 'responsible role-players' can be illustrated (Figure 1).

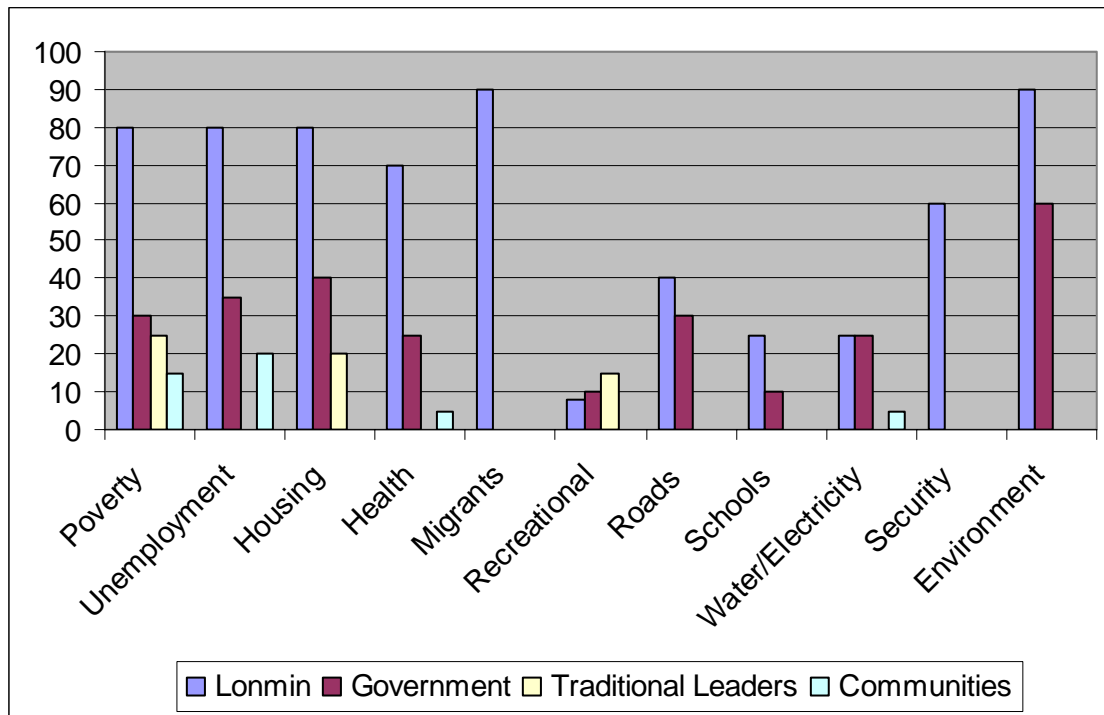


Figure 1. Percentages of respondents identifying different 'responsible role-players' for different concerns

On the face of it, it would appear that community perceptions are that the mine is responsible for most of the community concerns. However, this perception does not negate the other role-players' responsibilities, because their responsibilities are key to the development of the communities and the sustainability thereof.

7. Recommendations

Thus far the paper has focussed mainly on the negatives, which is understandable as it is based on the perceptions of communities who have been disadvantaged and feel that they have been exploited for decades. This is the reality for these communities and it is impossible to address these perceptions if the mine does not know what exactly these perceptions and expectations entail.

However, when making recommendations, it can be advantageous to focus on the positives that each role-player can bring to the relationship. The negatives are important for understanding what the communities have been going through as a result of their own actions, as well as those of other role-players, and can be used as a lesson that must not be repeated. On the other hand, if the negatives are not managed well, they can leave the role-players accused of exploitation,

feeling vulnerable and force them to make quick, dramatic responses and decisions, which can be detrimental to the whole process of achieving sustainable development. The aim is to identify the strengths that each role-player has to contribute to the development of communities and any partnership relationships. Strengths are weaknesses if they are used in isolation. Partnerships between all the role-players would facilitate benefits from these strengths. There is a need to recognise and respect the strengths in each other and coordinating them to work for the betterment of the communities.

Our approach to the recommendations is that the underlying critical factors (see section 4) are dealt with as a process and not to be seen as one-off solutions. Careful consideration must be made in how this is going to be achieved, because whatever course is taken, it must be sustainable. If the underlying factors are dealt with as one-off solutions, they will only have a temporary impact and it will be necessary to revisit the issues within a few years.

This study showed vast differences between expectations, perceptions and needs of the different role-players and stakeholders. The only way to start an alignment process between community expectations and the mine's own expectations and perceived responsibilities within its neighbouring communities is to embark on a community engagement process with the aim to mutual understanding and improved community relations. Even before any social or developmental problem in any of these communities can be addressed, serious efforts have to be made to start establishing common ground between the role-players and to address the lack of trust and vast differences in expectations and perceptions that this survey has unveiled. Community engagement initiatives, through participative communication programs, that are linked to the mine's communication strategy are the vehicles that should be used to address the current lack of common ground and mistrust between the role-players.

Broadly speaking, improvements should come about as a result of better communication, integration and power relations within and between government, the mine and the communities. Acknowledgement of power and how it impacts on other role-players is important because, if not used well, it can result in further exploitation of others. So far, the power relationships that have been discussed have focussed on the power struggles between institutions, namely government, the mine and the communities. There are power struggles and lack of coordination within these institutions which can hamper development. Therefore, to achieve effective change and sustainable development, these issues have to be addressed and dealt with in each institution. In the case of communities, the relationship between those with power and the powerless comes in several forms including gender, age, class, ethnicity, employment status and migration status. All of these variables need to be taken into account at the consultative stage to ensure that all interest groups, including the most vulnerable such as the youths, children, elderly and women,

are taken into account. Otherwise the danger is that only the interests of the already powerful within the communities will be heard. The aim should be to get a better understanding of each of the role-players' needs and to then work towards supporting each other. It is also important to note at this stage that most communities are focussing on basic needs and therefore may not be full partners to the sustainable development agenda. The point is that communities may be overwhelmed by the sudden interest in their welfare and be pushed to contributing to decisions that have a short-term impact because of their inexperienced negotiating position.

Against the abovementioned background, the following are some of the specific recommendations:

- The World Bank (2002) suggests that foundations, such as Development Trusts of mining companies, have the advantage of being able to solicit additional funds from other sources and to make a contribution to the community on many fronts. A successful foundation incorporates extensive consultation, transparency and participation.
- Communities are characterised by high cash dependency with no informal activities relating to extra income earning projects, such as cottage industries, back yard vegetable gardens, etc. Consequently, the levels of poverty are dependent on the employment status of the community members. Continuous sustainable projects that generate local employment are thus crucial. The most successful cases are where projects have been set up with the local communities providing many of the goods and services needed by the mining company as a jump start.
- Community projects require creative marketing strategies and comprehensive business plans. In order to be sustainable, the projects have to compete effectively both within and outside the communities. It is therefore suggested that project consultants be employed to help identify, initiate and monitor the projects. It must also be noted that choices of project proposals must reflect the social capital of the communities.
- Housing is one of the major priorities. A good working relationship and partnership between all parties (the mining company, national and local government, NGOs, traditional leaders and communities) is crucial to resolving the housing issue. According to local government there is money available to build houses, but the land belongs to the mining company and traditional leaders. In his latest budget announcement, the Minister of Finance announced additional funding for housing projects (Joubert 2005, p. 41). If coordinated well, this issue can go a long way to alleviating poverty by creating employment as well as new skills for the local population.
- Despite initial training where necessary, ongoing training should be provided by the government, NGOs and the mining company as part of a holistic economic strategy. Historically, local community members have been disadvantaged in terms of apartheid and

employment in favour of migrants (Hamann and Kapelus 2004, p. 87). The impact of this is that the local population has a limited working culture, which is reflected by their attitudes towards work; for example, the rate of absenteeism. Training in work habits and the strengthening of values such as productivity, reliability and self-development are essential. It is also important to take account of different training needs in terms of gender, age and ethnicity. Other training needs include life skills (e.g. personal financial management, self worth issues, problem solving, etc.), the mastering of professional English language, negotiation skills and technical training. For those participating in social projects, apart from technical training, there is also a need for training in the design and preparation of project or business plans to present for funding.

- Mine management and key employees also require training with regard to community engagement, communication and dealing with government representatives and traditional leaders on different levels. A strategic alignment process is needed to align employees, especially those on middle management level, with company values as expressed in the policy documents of the mine. The organisational culture should therefore be aligned with the values of the company; its CEO and top management have already identified and committed themselves to this alignment. In order to achieve this, the mine could make use of training and research institutions such as universities, or business consultancies, which can assist with this long-term process. Employees on all management levels should not only commit themselves to these values, but also should be trained how to enact and practice these values in their engagement processes with different communities.
- Technical language with regard to environmental affairs often leaves a large proportion of the communities in the dark about the efforts and improvements that mining companies are making towards the environment. Open days are a good idea, but the presentations and location need to be accessible to all community members. When dealing with community members, the mine needs to appreciate that there is a difference between what is scientifically acceptable and what is socially acceptable and understandable in terms of environmental issues.
- Land and mineral rights appear to be another contentious issue and cannot be ignored. Mining companies must aim to resolve this issue as early as possible because ignoring it may result in hampering any developmental plans and increase resentment from certain corners of the communities. Mining companies may have to revisit these contracts and make adjustments which are fair, transparent and equitable to all parties concerned.
- Role-players involved in the developmental initiatives should be sensitised to the different perspectives of community members and leaders living in different social conditions. For example, there is a difference between the developmental vision of a man sharing a shack with five other families, not knowing where the next meal is coming from, and the man coming

from a secure home with plenty of food on the table. The role-players should recognise that communities' needs will evolve over time, from current basic needs to more self-actualising needs in the future. Therefore communities must not be forced to make long-term decisions before they are ready. As developmental needs and visions will change over time, continuous participation from and communication between role-players are essential.

8. Conclusion

As a way of concluding this paper, it is important to state that there are extreme social problems in the communities and the perception in the communities is that most of the problems are caused by the mine and its operations. Therefore the solutions, according to the communities, are the responsibility of the mine. Although there is a strong sense of dependency in the communities, it is important to note that there are people within the communities looking to move away from this dependency on the mine. However, in order to do so they acknowledge that they need some initial support. Also important to note is the role of government as a development partner. The vast differences between perceptions and expectations means that this study represents the start of a long-term process; in this process the aligning of the actions and expectations of all relevant role-players in the quest towards sustainable development in the mine's neighbouring communities must be a priority.

Finally, the study can form the basis of an annual monitoring study to monitor progress and identify additional stumbling blocks on the road to improved community relations. It can also form the basis of similar studies at other mining companies to work towards community relations benchmarks in the mining industry.

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