CORPORATE SOCIAL RESPONSIBILITY: WHAT’S NEXT?
ENVIRONMENTAL AND SOCIAL TIMELINE

- 1966: Process of acceptance by corporate cultures
- 1971: Rachel Carson's *Silent Spring*
- 1976: Development of legislation
- 1981: Environmental trajectory
- 1986: Acceptance
- 1991: Resistance
- 1996: Rio Summit
- 2001: Social trajectory
- 2006: Legislation?

ComparISON OF ENVIRONMENTAL AND SOCIAL TRAJECTORIES

Joyce and Thomson, 1999
Mining-community conflicts increasing – ICMM Analysis of Incidents (2002 – 2012)

Key driving Issues (in-depth analysis of 2012 findings): (1) Economic; (2) Environmental, often related to water
BUT ACTIVITY INCREASED TOO!

Source: Corporate Exploration Strategies
CONFLICT vs EXPENDITURES

Thomson, 2015
NORMALEDIZED - CONFLICT TREND OVER TIME

Thomson, 2015
2000 – 2002 MMSD and GMI

• 2002 Declaration of Toronto – Formation of ICMM

.......a shared desire to enhance the contribution that mining and metals can make to social and economic development ..... 

.......progress towards sustainable development

• Support/trust of communities
• move beyond a regulatory compliance-based mindset to effectively manage the complex trade-offs of economic, environmental, and social issues
LANGUAGE SHIFTS

1. Sustainable Development

2. Contribution to Sustainable Development

3. Social and Environmental Sustainability

4. Sustainability of ???
MISSION CREEP?

• For sustainability, sustainability means ensuring the continuation and growth of its business in the long term, anticipating the motivation of interested parties and incorporating them into its objectives.

..........socially and environmentally responsible.....

..........sustainability as a strategy.......

..........contributing to communities.......
COMMUNITY DEFINITION OF SUSTAINABILITY

Developing the capacity (human, economic and social capital) to achieve the quality of life that we desire. This involves investing in people, their education, organizational and administrative skills, business development and also, most importantly, social and cultural activities identified by the community.

(Joyce, 2001)
CSR as the default position?

BUT – what is CSR?????
A DEFINITION FROM 2004

Private investment is the driver for economic growth, but to be socially responsible it should:

- Respect and obey the law
- Make ethical business decisions
- Respect and protect the environment
- Respect and protect the rights of people
- Assist local populations improve their lives
- Allow the involvement of local stakeholders, and
- Contribute to ‘Sustainable Development’
BUT

There are national/cultural norms of CSR
IN MEXICO

Fill the gaps left by government programs
IN SOUTH AFRICA

Make a positive contribution to social needs
IN COLOMBIA

Work closely with government
CANADA – The Canadian Government position

- Government of Canada expects Canadian companies to ... align their practices ..... with established international guidance .... when operating abroad:

- *OECD Guidelines for Multinational Enterprises (MNEs)*
- *United Nations (UN) Guiding Principles on Business and Human Rights (GPs)*
- *Voluntary Principles on Security and Human Rights (VPs):*
- *International Finance Corporation’s (IFC’s) Performance Standards on Social & Environmental Sustainability:*
- *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*
- *Global Reporting Initiative (GRI)*
CSR Guidance Developed in Canada

- *Exploration and Mining Guide for Aboriginal Communities*
- *CSR Implementation Guide for Canadian Business*
- *e3 Plus*
- *Towards Sustainable Mining*
Principles of Responsible Exploration (2009/14)

1. Adopt Responsible Governance and Management
2. Apply Ethical Business Practices
3. Respect Human Rights
4. Commit to Project Due Diligence and Risk Assessment
5. Engage Host Communities and Other Affected and Interested Parties
6. Contribute to Community Development and Social Wellbeing
7. Protect the Environment
8. Safeguard the Health and Safety of Workers and the Local Population
ISO 26000 (2010)

Social responsibility: 7 core subjects

Holistic approach

6.1* Community involvement and development
6.3* Human rights
6.2* Organizational
6.7* Consumer issues
6.4* Labour practices
6.5* The environment
6.6* Fair operating practices

Interdependence

* The figures denote the corresponding clause numbers in ISO 26000.
REALITY IN 2009/10 – Mission Creep?

From Bacle and Thomson, 2010
CSR is a relatively new concept and, not too long ago, many companies didn’t necessarily recognize the importance of sharing the benefits of their operations with host communities, employees and other key stakeholders. From its earliest days, however, Barrick embraced a culture of giving back.

*Beyond Boarders, May, 2014*

One top executive argue that the term CSR is not appropriate, he argue that it should be called 'Community Empowerment'

*Linkedin discussion, February, 2015*
WHAT WE KNOW ABOUT SOCIAL ACCEPTANCE

It is the quality of the relationship that really matters!

Independent studies from Canada and Australia

Moffatt & Zhang, 2013

Boutilier & Thomson, 2011

Social Contract

Social Capital

Beneficial Legitimacy

Social Legitimacy

Institutional Trust

Measuring the Social License

CO-OWNERSHIP

Trust Boundary

APPROVAL

Credibility Boundary

ACCEPTANCE

Legitimacy Boundary

WITHHOLDING/WITHDRAWAL

Impact - social infrastructure

Contact quantity

Contact quality

Procedural fairness

Trust

Acceptance of mining

It is the quality of the relationship that really matters!
SHARED VALUE – The New Paradigm??

A ‘reframing’ of CSR?

But - Who’s values are being shared???
WHAT NEXT FOR CSR?

Move on from a failed paradigm

If it is only about helping communities – call it what it is: Philanthropy

Concentrate on being RESPONSIBLE - TRUSTWORTHY

Respectful, ethical, transparent, accountable

Build real relationships!
We can’t go on meeting this way
It’s not sustainable
TIMELINE TO RENEW THE SOCIAL CONTRACT?

COMPARISON OF ENVIRONMENTAL AND SOCIAL TRAJECTORIES

1966
1971
1976
1981
1986
1991
1996
2001
2006

1966
1971
1976
1981
1986
1991
1996
2001
2006

PROCESS OF ACCEPTANCE BY CORPORATE CULTURES

RACHEL CARSON'S SILENT SPRING

DEVELOPMENT OF LEGISLATION

ENVIRONMENTAL TRAJEKTORY

ACCEPTANCE

RESISTANCE

MINORITY ISSUE

MANAGEMENT

RIO SUMMIT

SOCIAL TRAJEKTORY

LEGISLATION?

Joyce and Thomson, 1999
Better Performance – Better Relationships
Better Outcomes

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