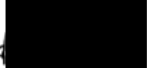


DECLARATION

This research has not been previously accepted for any degree and is not being currently considered for any other degree at any other university.

I declare that this Dissertation contains my own work except where specifically acknowledged

Nomnotho Gumede, 216072841

Signature, 

Date: 07 October 2020

ACKNOWLEDGEMENTS

Finally, at the end of this journey, yes it took longer than expected, but this is still my greatest achievement to date. It brings joy to be drafting this section as confirmation of my gratitude to the people who directly and indirectly contributed to the completion of this study. My gratitude is not hierarchical, all people mentioned here are amazing individuals whom I am emotionally and technically indebted to:

- Dear **God**: Thank you for being the beginning and the end of everything I do. The foundation of my academic success is founded on this prayer line, “Busisa bonke abafundayo nabafundisayo kuzo zonke izikhungo zemfundo ephakeme, baphe ukuhlanipha Wena ongumthombo wakho konke ukuhlakanipha kwangempela”.
- My supervisor, **Dr. Mvuselelo Ngcoya**, I knew from 2015’s induction I wanted your guidance on this journey. When I couldn’t source registration funding, I prayed you would be available in 2016. I am happy to have finished my journey with your signature, your inspiring leadership, patience and time to guide me towards completion of this study is what gives it credibility.
- My beautiful daughter, **Nkazimulo Yamkelokuhle Sthandwa Linda**. You complete me, the hard work is to set an example for you. Praying it yields positive results to get you the best education and affords us a comfortable life. Mommy loves you dearly munchkin.
- My Blessed Tax, **Mom and Dad: MaChili, Mthuli kaLushaba, Somdlabonge**, your best included I went to school presentable, you signed off homework you could not read. Made random visits throughout my school life just to tell my teachers if they spare the rod, they will not get best results from me, thank you mom. Dad, **Njojo kaMyeki, Khondlo kaMpangezitha**, your actions and words silently pushed me to never disappoint you. Thank you for staying in my life and being the financial support for all the things a rural teenage girl could ask for, you deserve every precious ride with your set of wheels.
- A special thanks to my sister, **Hloniphile Mnguni Mahlangu** and my brother in-law, **Musa Mahlangu**, from running errands to being chauffeurs while I pursued this. My recompense nephew **Kuhlemabhoko**, seeing our late brother live through you gives uNcane strength. My nieces **Hlelolwenkosi** and **Zintwezihle**, I love seeing my young self in you girls.
- My best friend, **Patrick Mzimela**: Thank you for the friendship that has turned into siblinghood. You contributed a lot in me withstanding the pressures of this journey.
- To the **youth of KwaNdaya reserve 10 and Port Dunford**: Thank you for opening to me and sharing your frustrations about the Zulti South Mineral Lease Area mining project. The information you shared validated the motivation of this study.

A special **thank you to MySelf**, for the hard work, resilience and early mornings put into this. You did it Mnotho.

TABLE OF CONTENT

ABSTRACT1

1. CHAPTER ONE: PROPOSAL.....2

1.1. Introduction.....2

1.2. Study Background.....2

1.3. Problem Statement.....4

1.4. Study Motivation5

1.5. Purpose of the research6

1.6. Objectives of the study.....7

1.7. Research Questions8

1.8. Definition of concepts8

1.9. Research Methodology9

1.10. Research Design.....10

1.11. Evaluative research design.....10

CONCLUSION.....13

2. CHAPTER TWO: LITERATURE REVIEW15

2.1.Introduction..... 15

2.2. What is Corporate Social Responsibility?..... 16

2.3. The history of CSR and development in South Africa..... 17

2.4. CSR as an institutional approach23

2.5. CSR as corporate citizenship.....25

2.6. CSR as green washing26

3. CHAPTER THREE: THEORETICAL FRAMEWORK.....29

3.1. Introduction29

3.2. Weaknesses of CSR29

3.3. Development by dispossession.....30

3.4. Parity of Participation.....34

4. CHAPTER FOUR: RESEARCH METHODOLOGY.....37

4.1. Introduction37

4.2. Research design.....38

4.3. Evaluation Research.....39

4.4. Location of the study	40
4.5. Research Sample	41
4.6. Sampling Techniques	42
4.7. Sampling Method	43
4.8. Data collection tools.....	44
4.9. Pilot Study	45
4.8. Fieldwork	45
4.9. Analysis and Interpretation	48
4.10. Data Validity	48
4.11. Ethical Consideration.....	49
5. CHAPTER FIVE: FINDINGS AND ANALYSIS	51
5.1. Introduction	51
5.2. Demographic Data.....	51
5.3. Themes	57
6. CHAPTER SIX: CONCLUSION.....	76
6.1. Introduction	76
6.2. Achievement of Aims and Objectives.....	76
6.3. Recommendations for future studies.....	81
REFERENCES	84

LIST OF FIGURES

Figure 1: Research report structure	14
Figure 2: The multifaceted nature of CSR	16
Figure 3: Behind the scenes.....	26
Figure 4: Northern KZN affected by mining operations	41
Figure 5: Target population and Research sample	42
Figure 6: Data Collection Tools	45
Figure 7: Gender of participants.....	52
Figure 8: Age groups of the participants	53

Figure 9: Level of education of the research sample.....	53
Figure 10: Location of Participants	54
Figure 11: The truth behind the unknown	54
Figure 12: CSR per RBM/Rio Tinto host community in 2013	56
Figure 13: KwaNdaya and Port Dunford CSR distribution in 2014	57
Figure 14: Services of the Port Dunford Thusong Centre.....	58
Figure 15: Partnership of the construction and maintenance of the community road.....	61
Figure 16: Umkhontokayise Clinic	66
Figure 17: The issue with gender roles within the communities.....	69
Figure 18: The public conflicts and accusations	73
Figure 19: The response to the public accusations.....	73

LIST OF TABLES

Table 1: List of Acronyms and Abbreviations	vi
Table 2: List of Key Informant Interviewees who participated in the study.....	55
Table 3: Analysis Framework	58

Table 1: List of Acronyms and Abbreviations

Acronym / Abbreviation	Expansion
BBBEE	Broad Black Based Economic Empowerment
CC	Corporate Citizenship
CDPP	Comparative Development Problems
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
FDI	Foreign Direct Investment
FGD	Focus Group Discussion
HSSREC	Humanities and Social Sciences Research Ethics Committee
IDP	Integrated Development Plan
JSE	Johannesburg Stock Exchange
KII	Key Informant Interviewees
KZN	KwaZulu-Natal
NGO	Non-Government Organisation
PD	Port Dunford
RAP	Resettlement Action Plan
Richards Bay Minerals (RBM)	Richards Bay Minerals (Rio Tinto)
RED	Rural Economic Development
RM1	Research Methods 1
SDG	Sustainable Development Goals
TA	Traditional Authority
TBL	Triple Bottom Line
TRC	Truth and Reconciliation Commission
UKZN	University of KwaZulu-Natal
WBCSD	World Business Council for Sustainable Development
ZSMLA	Zulti South Mineral Lease Area

ABSTRACT

In 2004 Richards Bay Minerals, a subdivision of Rio Tinto, the multibillion global mining company that specialises in titanium, iron ore, and zircon signed an agreement to expand mining in northern KwaZulu-Natal on the Zulti South Mineral Lease Area situated in the rural communities of KwaNdaya and Port Dunford. Residents of these two impoverished communities expected a new dawn through the company's Corporate Social Responsibility (CSR) programmes.

This study was conducted to explore CSR as a potential tool for socio-economic development in the KwaNdaya and Port Dunford. It used Primitive Accumulation, Accumulation by Dispossession and Parity of Participation theories as frameworks to understand why Corporate Social Responsibility continues to fail in achieving social justice. Qualitative methods were used to extract information from sustainable development reports and compare the findings based on knowledge, attitudes and opinions of the 18 participants who reside in the two host communities.

The findings reveal that community members in KwaNdaya and Port Dunford are aware of what is happening around them, but lack knowledge on how to fight the hierarchal system which has made decisions on their behalf while they remain in chronic poverty. Development by Dispossession continues to loot South African communities by wearing a mask of Corporate Social Responsibility (CSR) to access mineral wealth in rural peripheries. There are endless promises about community development, and the findings show that these benefit Traditional Authority representatives. As a result, unfulfilled CSR promises remains the major cause of conflict and community unrest in mining host communities around South Africa.

1. CHAPTER ONE: INTRODUCTION AND BACKGROUND

1.1. INTRODUCTION

Rural economic development is a priority for every government in the world. It does not matter whether the country is categorized as developed or impoverished. Special efforts have been made, organisations have been formed and various projects are implemented to improve the economic conditions of the people in rural areas. The South African government is no exception. However, the slow pace in Rural Economic Development (RED) has drawn attention from different research institutions and researchers who seek to contribute knowledge and explore other potential resources to achieve RED. I embarked on this study to explore CSR as a potential tool for RED. In reality, many CSR plans are promissory notes that end up not fulfilling the desired vision for host communities as people are often left in poverty at time of a company's exit because development cannot be sustained or even worse it never saw daylight. Oftentimes, these corporates are never held accountable and for them business goes on as usual. This introductory chapter provides background material and motivations for this study. I also briefly discuss the research design, describe the study area, define key concepts and provide an outline of the whole thesis.

1.2. STUDY BACKGROUND

In South Africa, 34.7 % of the population lived in rural areas (United Nations, 2016). Unemployment is high while educational levels are low in these rural peripheries. There is a vast majority of the population that heavily relies on government grants for their household incomes with poverty at its peak. In 2004, it was announced to the communities of KwaNdaya and Port Dunford that Rio Tinto had signed an agreement, giving the multimillion mining house access to mine for iron ore and titanium in the Zulti South Mineral Lease Area (ZSMLA). The agreement embodied social benefits that heard community members believing things would change for the better. Based on the SRK Consulting (SA) public document published in 2012, the agreement was

reviewed to meet the needs of the communities. To date there are no tangible social benefits that seek to improve the lives of community members.

In 2017, full-scale mining was set to commence, yet no community members have been trained to take permanent professional positions in the mining project. There has been dislocation of graves, homes and even endangering of people's lives since 2008, with some areas proclaimed industrial danger zones. The SRK Consulting, SA public document (2012) defines danger zones as the demarcated area that the ZSMLA mining operations will use and extended land that may be affected. The report also takes into account that titanium and Iron Ore mining is a source of contamination to the environment that was used for small scale farming at KwaNdaya and Port Dunford. For decades, the community members enjoyed free movement, especially to the nearby beaches and planting in the area. In the past few years, a lot has changed with the mining operation in progress, some places are marked to be hazardous. They are restricted as they fall within the danger zones and entry to these once beautiful places is no longer allowed.

KwaNdaya and Port Dunford holds the key to Rio Tinto's mining continuation. Based on the RBM's Sustainable Development Plan for 2015, by 2035 to 2037 Rio Tinto will solely depend on ZSMLA to continue all operations in Northern KZN. With this dependency on ZSMLA, KwaNdaya and Port Dunford as host communities, one would assume that they have powerful a bargaining chip as a ticket out of poverty and other social ills such as crime, drug usage and lack of interest in education that has trapped the majority of the youth in stagnant poor living conditions.

During the apartheid era in South Africa, the mining industry operated without restraint and had undue influence over government decision-making. This created an environment where companies maximised profits at the expense of people and the environment (Leonard, 2017). He further states that the introduction of the Bill of Rights in the Constitution has enshrined the prerogative of communities to express their dissatisfaction and challenge mining laws and regulations. A number of communities have gone down this road and used their rights to take action against government

and corporate malpractice. However, some communities lack knowledge and information on how to go about doing this.

1.3. PROBLEM STATEMENT

Mineral resources are concentrated in particular regions of the world and in specific areas within those regions. Thanks to rampant global desire for raw materials, there is a rising planetary demand for the exploitation of available mineral resources from a few locations. My problem which is the confusing part of the equation is the advancement of first world countries at the expense of African communities where these resources are extracted from. Mining requires heavy extraction to get to resources such as the iron ore, titanium and zinc that are mined at KwaNdaya and Port Dunford. This is destructive to the environment which is a special case in the context of this study. People in rural areas possess land as the central resource for numerous social, cultural, economic or agricultural uses. Even though they are poorly educated and underdeveloped, they follow indigenous production practices to sustain livelihoods based on what they have, the land Machete (2004), and to emphasise, this works most of the time. My problem is that CSR dispossesses people of their land with the promise of social development and poverty alleviation.

Sharp (2006) highlights that some analysts suggest that corporate-driven social responsibility initiatives offer a new, and potentially bright, prospect of addressing global poverty and underdevelopment effectively. Recent work has shed light on the intervention of Multinational Companies (MNC) in RED as their host communities (Banerjee, 2008). It is generally assumed that MNCs extract wealth out of developing countries. Blowfield *et al* (2005) mention that numerous claims have been made about CSR contribution to poverty alleviation and other Sustainable Development Goals (SDGs). However, the contributors to their study reached the conclusion that current CSR approaches do not warrant such claims. Their work shows the need for a critical approach to the strengths and limitations of CSR. Therefore, the focus of this study

is on CSR, specifically in the rural South African context, evaluating the gaps that hinder a corporations' CSR to achieve and fulfil its promises to host communities.

The field of CSR has grown exponentially in both the academic and business arena. It is increasingly becoming an interesting debate within institutions. Most corporations are becoming more engaged in CSR. However, Newell *et al* (2007) highlight an important fact that understanding the potential and limitations of CSR initiatives to tackle development issues is the key. Despite attempts to formulate generally applicable definitions, there is a lack of clear consensus about what is and what is not CSR.

Muthuri *et al* (2012) says that enlightened corporations including those in the mining industry have long been aware that it is in their best interest, to address issues of concerns in the local communities which they operate in. It is critical to first understand what CSR is before discussing the approaches it can adapt to make it relevant to this study. In the mining industry, socio-economic development performance is a prerequisite for obtaining mining licenses. Companies that are listed on the Johannesburg Stock Exchange (JSE) must comply with corporate governance. Legislation such as the King Codes on Corporate Governance for instance have been central to the development of CSR.

1.4. STUDY MOTIVATION

According to Maree (2005:32), a rationale of a research project serves as a statement of how a researcher developed an interest in a particular topic, and exactly why a researcher believes the research is worth conducting. Research has proven that young people are agents of change in developing countries, the “Philanthropy and Youth Empowerment: Foundations’ Innovative Approaches to Support Youth” study conducted in 2014 states that youth in many developing countries are receiving better education. The study further elaborates that young adults are demanding reform and pressing for transformation in their respective countries, and they are

motivated by high unemployment rates; lack of equitable access to quality education; poor governance, disputable human rights and marginalisation from decision-making.

It is with the same attitude that this study is important to me and my peers at KwaNdaya and Port Dunford, to provide an alternative second chance at life by facilitating a fair and justified access socio-economic opportunity through knowledge sharing. The chance to change lives in a community I was born and raised in. Schools in KwaNdaya and Port Dunford are underserved hence the low levels of education in the community. In the whole community only 5% of 22 571 people have a Matric qualification according to the census 2011, bearing in mind the 1.45% population increase in the area, these numbers could be more devastating. There are five schools in Ward 22 where KwaNdaya and Port Dunford is situated, three primary schools and two high schools. All of them do not offer favourable learning tools and conditions. Over the years this commanded parents to send their children to schools outside the community for better education opportunities. The conditions of the schools, especially Isikhalasenkosi High School have continually been the result of increased school dropout and high Matric failure rate. This is a community engulfed with high unemployment, recording a dependency ratio of 72%, and citizens with no schooling above 28% according to Statistics South Africa's 2011 census. On the bright side, this is a community with mineral resources to provide a lifeline for a mining corporation, it should not lack means to achieve economic development. Whether it comes through CSR actively investing to improve lives of the people by allowing community members to participate in planning and implementing their own development, the main objective of this study is to find out what is the offer on the table to host a multibillion mining project for KwaNdaya and Port Dunford.

1.5. PURPOSE OF THE RESEARCH

Creswell (2003) states that a purpose statement underlines what the researcher wants to do and what is to be accomplished at the end of the study. The purpose statement indicates the direction the research will take and most importantly it orients the reader to the central objectives of the

study. This study aims to assess if Rio Tinto's CSR plan has achieved RED in KwaNdaya and Port Dunford. If the CSR plan does exist, the conclusion and recommendations will look at the flexibility of the plan, therefore evaluating if the CSR plan has room to incorporate social inclusion of community members (stakeholders) at grass root level to participate in planning and decision-making processes when it comes to social development projects that will affect their daily lives and their future.

1.6. OBJECTIVES OF THE STUDY

- 1.6.1.** To assess the Corporate Social Responsibility plan of Rio Tinto, the documented strategy to reduce poverty in KwaNdaya and Port Dunford.
- 1.6.2.** To examine the extent to which the Corporate Social Responsibility plan of Rio Tinto is aligned to the Integrated Development Plan of uMhlathuze Municipality to help alleviate poverty in KwaNdaya and Port Dunford.
- 1.6.3.** To investigate whether the ZSMLA mining community representatives committee members are transparent and accountable to the community members of KwaNdaya and Port Dunford.
- 1.6.4.** To assess the potential of knowledge sharing avenues while eliminating educational levels as a barrier to community development.
- 1.6.5.** To recommend strategies to improve community participation in decision-making processes to maximise the CSR monetary benefit invested in the community trust fund.

1.7. RESEARCH QUESTIONS

- 1.7.1.** How does the Corporate Social plan of Rio Tinto aim to reduce poverty in KwaNdaya and Port Dunford?
- 1.7.2.** To what extent is the Corporate Social Responsibility plan of Rio Tinto aligned to the Integrated Development Plan of uMhlathuze Municipality to overcome poverty?
- 1.7.3.** How does the ZSMLA mining committee remain transparent and accountable to the communities of KwaNdaya and Port Dunford regarding investments made by Rio Tinto?
- 1.7.4.** How often is knowledge disseminated to all community members about the status of the ZSMLA mining project's social development plans?
- 1.7.5.** What are the strategies put in place to promote community participation in decision-making processes?

1.8. DEFINITION OF CONCEPTS

- **Corporate Social Responsibility (CSR)** has no single definition, various authors and business managers often revert to defining CSR according to their own approach. However, the report by Southern African-German Chamber of Commerce and Industry (2014) gives a better fitting definition based on the content of this study, according to this report CSR defined as a concept that allows companies to integrate social and environmental concerns of their business operations in their interaction with stakeholders voluntarily. Another business definition of CSR that fits the context of this study is provided by World Business Council for Sustainable Development (WBCSD), which states that CSR is that “commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life”.

- **Rural Area** is defined as a large and isolated area of an open country with low population density, under developed and often in poor infrastructure compared to those regarded as urban areas. The majorities of people living in these areas depend on social grants and are underemployed. Hence the level of poverty is high according to (Boschoff *et al*, 2008).
- **Economic Development** is defined as “an improvement of living conditions in the less developed countries. It involves an improvement in the quality of life of the majority of the population resulting from economic growth, reduction of inequality in terms of income distribution and the eradication of absolute poverty”, (Mohr and Fourie, 2008). According to this study a definition can be drawn to the effect that it is the improvement of the quality of life in rural areas through proper investment of financial and non-financial resources as compensation for mineral wealth of their land.
- **Impact** is a result of any form of intervention or a change that results from any activity SRK (Consulting SA Public document, 2012). For this study impact provides an economic difference as results of Rio Tinto’s CSR plan being implemented in the rural communities of KwaNdaya and Port Dunford.

1.9. RESEARCH METHODOLOGY

According to Jackson (2006:12), a research methodology defines what the activity of research is and how to proceed in terms of data collection. Research methodology refers to the process of implementing a research design or research plan through the application of valid and reliable methods, techniques and procedures (Nqadala, 2007). It systematically solves the research problem and specifies the various steps to be adapted by the research to study the research problem with the logic of the sequential application. The study used qualitative research as it provides advanced wealth found in human knowledge. Qualitative research is regarded as a tool to carry

out research through looking at life subjectively. It is the way to systematically solve the research problem by logically adopting various steps.

1.10. RESEARCH DESIGN

The research design is the plan of how to proceed in determining the nature of the relationship between variables (Maree 2007:50). The research design is also a procedure to be followed to conduct the research process, it indicates what has been done in the research, how it was done and why it was done in a particular way. Research design includes plans, structure, and strategies of investigations which seek to obtain research questions.

1.11. EVALUATIVE RESEARCH DESIGN

The study adopted an evaluative research design. According to Kumar (2011), evaluative research design is a process of applying scientific procedures to gather reliable and valid evidence in the manner and extent to which specific activities produce particular pre-determined outcomes. Also, Rutman (1980) as quoted by Kumar (2011) defined evaluative research as the use of research methods to measure impacts of programmes and policies.

A combination of qualitative and quantitative research methods was used to determine the relationship (impact) between an independent variable (CSR) and a dependent variable (economic development). Coming from a Sociology background, this research method has been instilled throughout my academic journey. Qualitative differs from quantitative methods in aiming not to only give precise measurement for the phenomenon but gives the data some soul. Qualitative method aims to understand the complex realities and processes where questions and emerge as the investigation progresses. The questions are broad and open-ended, they change and develop over time to fill the uncertainty of differing accounts of reality. The focus for quantitative aspects in this study will be to measure 'what is happening, how many times it has happened and to how

many people'? The combination of these methods helped triangulate findings and validated the data collected.

1.11.1.Target Population

The research was conducted in the North Coast of KwaZulu-Natal, in Ward 22 of uMhlathuze Municipality. According to McMillan and Schumacher (2001:169) target population is defined as a specific pool of the case the researcher wants to study. For this study the main target population was the communities of KwaNdaya and Port Dunford. Furthermore, the study targeted all stakeholders of the Zulti South Mineral Lease Agreement, including the project manager, CRS research documents and journals, the community Liaison Officer from Rio Tinto, Traditional Authorities of Mkhwanazi area and uMhlathuze youth services coordinator.

1.11.2.Sampling Method

According to Trochim (2006:25), sampling is the process of selecting units from the population of interest. In this study, purposeful sampling was used to select 20 participants, this unit was based on the availability of resources and also consideration to spend enough time with participants so they can provide in-depth quality data for the study to achieve its objectives. Creswell (2007) states that a purposeful strategy for a researcher is to identify participants for the study because he or she is aware that they understand the problem and the central phenomenon of the study.

The participants are categorized as follow:

- Six people from the relevant key positions to be Key Informant Interviewees (KIIs).
- Nine unemployed youth as the main beneficiaries of development and economic growth in South Africa.
- Five people from the youth that fall within the working class to provide a different perspective of the nine unemployed youth.

By using the sample of purposefully selected participants of different social classes, ranging from the signatories of the mining agreement to the community members at grassroots level, I attempted to give a wide range of stakeholders a chance to have a voice so that their feelings, opinions and recommendations going forward can be taken into consideration.

1.11.3.Data Collection

I conducted face to face interviews with four KIIs and a Focus Group Discussion with nine unemployed youth. Interview guides were administered to five working individuals below the age of 35 in the community. Observations were used where possible with a focus on the impact and social benefits of the ZSMLA mining project and the daily settings. The time taken for each KII was not recorded as the interviews were conducted at the time suitable to the participants. The FGD lasted two hours. The participants did not necessarily need to be able to read and or write, as I used IsiZulu to interpret the questions, and the answers were translated into English.

1.11.4.Analysis and Interpretation Methods

According to McMillan and Schumacher (2001:464) analysis, interpretation and the presentation of the data will be based on the perceptions, understanding, attitudes, knowledge, values, feelings, and experiences of the participants. With the combination of qualitative and quantitative data analysis, triangulation analysis was used first. Later on, thematic analysis was used to analyse qualitative data. In November 2017, during preparation for data collection, UKZN's NVivo license had expired, this resulted in the Information and Communication Services (ICS) department to not be able to download the software into my personal computer. Due to the need to the urgency to collect data to avoid delays, Atlas.ti software was used for qualitative analysis as it was readily available to me through my current employer's licence. The software comes highly recommended and works similar as the NVivo software. It has the advantage to keep a backup copy of all the work done. The findings from data collection is presented by means of tables and themes in Chapter Four.

CONCLUSION

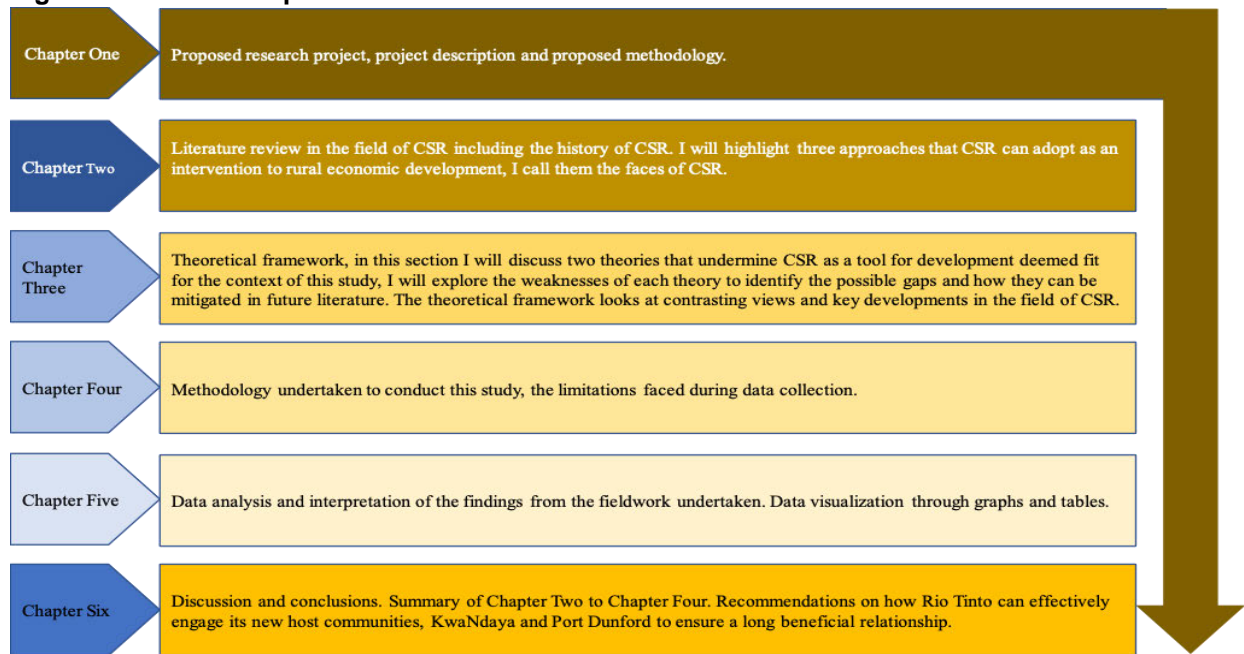
This chapter has narrated the orientation of the study and highlighted what tools were used in the execution of the study. A brief description of the characteristics of rural communities of KwaNdaya and Port Dunford was discussed as a background to identify the problem statement. The problem statement was also identified and discussed as it lays a foundation on the description of issues that need to be addressed in the study. The motivation of the study was discussed based on where the interest and need of the study stemmed from and to elicit understanding of why the targeted population was chosen.

Research objectives and questions are discussed as instruments to be used to achieve the aim of the research. The hypothesis is used as a prediction of the outcome of the study. The definition of key terms was provided based on the title of the study.

The chapter concludes by discussing the research methodology focusing on the research design indicated as the evaluative research design. A summary of the targeted population is discussed as it gives an indication of the relevance of the sampling method, data collection method, and analysis and presentation methods.

The study consists of Six Chapters. This study begins with the description of the proposed research project (Chapter One). The rest of the study is narrated by an overview in Figure 1 below as approved by the UKZN Humanities and Social Sciences Research Ethics Committee (HSSREC) presented in below.

Figure 1: Research report structure



2. CHAPTER TWO: LITERATURE REVIEW

2.1. INTRODUCTION

A literature review is a systemic and analytical study of an existing body of knowledge or literature relevant to a particular research subject or topic with the objectives of laying theoretical and conceptual background for a new study and also serving as a framework of reference for the researcher conducting the study (Kruger and Welman, 2002). According to Labaree (2009) also confirms that a literature review helps a researcher to make theoretical interpretation of the study, particularly the study findings. In addition, he states that conducting a literature review helps a researcher to know what has been done to identify the gaps that exists within a research problem or topic area. Therefore, failure to conduct a literature review at the beginning of a study presents a default negative impact. I could have been susceptible to repeating the mistakes of prior researchers and fall into the same potholes found in the studies looking at CSR in relation to rural communities in South Africa.

Through the study of existing literature, the particular focus is understanding if CSR is still justified as a tool for economic development. I wanted to find out whether CSR has been adopted as a strategy and culture of doing business as usual to operate in host communities. The discourse also focused on examining how CSR forges interventions into host communities to gain access to mineral resources through the three approaches it often adopts (Legewie, 2013).

In view of the above, the first part of this chapter investigates what is CSR, the second part elaborates on the history of Corporate Social Responsibility and how it landed on Africa and South Africa's doorstep. The third part of this chapter presents three approaches CSR has adopted over the years to forge relationships into African countries.

2.2. WHAT IS CORPORATE SOCIAL RESPONSIBILITY?

There seems to be no single definition of what Corporate Social Responsibility is as different scholars and business leaders often define the concept based on their diverse approaches. While there is no single definition of the CSR concept, Scherer *et al* (2011) states that authors and business managers often revert to defining CSR as a tool to allow a company to develop a competitive advantage, at the same time meeting a growing social demand for corporate ethics and greater accountability for its social and environmental performance. Newell *et al* (2007) argues that understanding the potential and limitations of CSR initiatives to tackle social issues is the key to defining what is CSR. They further iterate that in the attempt to formulate generally applicable definitions, there is a lack of clear consensus about what CSR is and what it is not. Through engagement with literature, I found that there are numerous forces that influence and shape CSR, justifying the absence of a single definition.

Figure 2: The multifaceted nature of CSR



Based on the literature reviewed, for this study I define CSR as “a strategy to hold corporations accountable through economic investment to take care of the social and ecological environment in their host communities to create a harmonious relationship between the organisation, shareholders through facilitation of sustainable socio-economic development”.

2.3. THE HISTORY OF CSR AND DEVELOPMENT IN SOUTH AFRICA

The earliest origin of the practice of Corporate Social Responsibility can be traced to the period of the industrial revolution when employees’ welfare funds and laws were introduced to control labour activities in factories, manage health and safety and secure chimney sweeps against exploitation, as well as to regulate the conditions in which poor children worked (Cannon, 1992:2) and (Slabbert *et al*, 1998:16-7) as quoted by (Van den Ende, 2014:24). A statement by Global Policy Fund (2014), “Africa as a continent is rich in minerals and human resources, as well as ecological and economic diversity but remains underdeveloped” proves that Africa has been long exploited by developed countries for its resources. To date, some African nations still suffer from corruption, civil unrest, war, underdevelopment and deep poverty because of the struggle over access to its natural resources, especially minerals.

Literature reveals that big corporations have influence on governance laws, and these laws continue to favour them, granting them privileged access to African mineral resources by positioning themselves as the solution to the current development challenges with hope that they will provide aid and economic relief in forms of CSR.

Eradicating poverty in Africa without addressing the issues intertwined will not suffice and slows down rural development. The development problem is more pervasive in rural peripheries for most African states. The capital cities or capital nodes are well developed, for example Johannesburg, Cape Town and Durban in South Africa, Nairobi in Kenya, Gaborone in Botswana, and even Harare in Zimbabwe because that is where colonialists stayed. While rural areas are underdeveloped yet rich because of land with mineral deposits. Lack of knowledge and

information about minerals in rural areas among Traditional Leaders and rural communities is what has welcomed aid and CSR with open arms in return for unsustainable social and economic relief. Therefore, we become indebted to colonialists to bail us out while we put our houses in order. After all they have the wealth gained through looting.

In South Africa, our development is focused on socio-economic empowerment, improvement of health standards, access to better education and education facilities (NDP 2030), and lately if I may add to the list, there is focus on the use of land as a primary resource to advance the economic value chain. Government allocates resources, develops strategies and implement projects to empower citizens, it is not enough because of the population growth. Unequal redistribution of resources is also detrimental to rural development.

The post-apartheid social situation in South Africa continues to be characterised by inequality in relation to economic power, access to education, enjoyment of basic services and infrastructure. Interaction between businesses and societies in South Africa is also defined by the colonial and apartheid experiences. During the apartheid era in South Africa, the mining industry operated without restraint and had influence over government decision-making. Cairncross *et al* (2013:1) states that if we want to understand extractive industries "We must remember the history of mining in South Africa, of cheap black labour, racism and exploitation. This is the model for the rest of Africa too. If we look at Marikana as a microcosm of South Africa and really of mining in Africa, we witness growing discontent, growing inequalities, a widening gap between rich and poor, and all the resultant problems of poverty".

Development has for a long time leaned on mineral resources, and most of these minerals are found in the African continent. Cairncross *et al* (2013:1) states the history of mining in South Africa has been the result of cheap black labour, racism and exploitation and we can safely link this to discovery of mineral resources in our land and this model is the same for the rest of Africa. Mining in Africa is like fuel behind the discontent, growing inequalities, a widening

gap between rich and poor, and all problems related to poverty. Not only is it confusing but it brews rage for Africa to be viewed as poor when our resources have made other countries rich. In this regard, scholars such as Muthuri *et al* (2012) have noted that responsible organisations, alongside the ones in the mining sector have realised that it is to their advantage to pay attention to serious issues affecting the local communities where their business operations are sited.

Going forth, it is critical to first understand what CSR is in South Africa before discussing the approaches it can adapt to make it relevant to this study. With reference to the South African Companies Act 61 of 1973, companies in South Africa are not obliged to initiate CSR projects, but the amended Companies Act of 2013 requires companies to set aside some of their net profit for social development projects Dekker and Esser (2018). The Act states that 2% of a three-year average profit that corporates make should go into CSR. Further to this, South Africa's Policy Document, the King II and III and IV (2016) reports on corporate governance require that multinationals corporations (MNCs) and other companies located in South Africa should spend a certain portion of their profit on socio-economic development projects and other related initiatives Johannes (2016). Also, it is required that companies who do not comply with this requirement must provide an explanation for their inaction. This notwithstanding, many companies had long recognised the need to achieve other social targets besides positive bottom lines long before the amendment of the Companies Act in 2013. Therefore, with CSR contributions becoming a mandatory requirement for companies, many of them have demonstrated deeper commitment to social issues such as rural development, poverty alleviation, healthcare improvement, education and the environment (Philip and Vijayraghavan 2018).

Regardless of a corporate organisations' commitment to CSR, development experts believe that the culture of good governance in its different ramifications is an essential aspect of any CSR programme. This is against the backdrop of a study finding by Blowfield *et al* (2005) which

indicates that many CSR projects and initiatives targeting poverty alleviation, improved healthcare, good education and other development issues are not traceable because contemporary approaches to CSRs do not reflect claimed reports by companies. Ite (2004) further states that CSR initiatives towards poverty alleviation, for instance, may fail to achieve target results if at the same time the macro-economy underperforms because of the failure of government. It is for these reasons CSR sustainability indicators are put in place to help evaluate a company's performances in three major areas of the economic, social and environment impact. The indicators also serve to provide feedback on what a company contributes to sustainable development as opposed to its provision of temporary relief to fundamental social problems.

In recent times, the roles of companies especially large corporations in poverty alleviation has become a front burner issue in CSR discourse. This has called for an examination of the three approaches to CSR which are referred to in this discussion as the three faces of CSR. These include CSR as an institutional approach, CSR as corporate citizenship and CSR as green washing. At face value, each of the approach seems effective but on a deeper analysis, they further weaken the theories of CSR they are related to; thereby rendering it untenable as an effective vehicle of economic development. The next section examines each of these approaches.

2.4. THE BENEFIT OF CSR IN POVERTY ALLEVIATION?

South Africa recently celebrated 25 years of transition into democracy, yet poverty and inequality remains deeply inscribed in the post-apartheid period. Cairncross *et al* (2013), quotes a disturbing statement from Terblanche (2002) when he reported that "few countries in the world are as renowned as South Africa for the sharp contrast between extravagant wealth and luxury on the one hand, and extreme poverty and destitution on the other". The Living Conditions Survey (LCS) as part of Statistics South Africa's household survey programme

provides detailed information on households' living circumstances, as well as their income and expenditure patterns. According to LCS (2015), approximately 40,0% of South Africans were living below the Upper-bound poverty line (UBPL) in 2019.

Like many other developing countries, South Africa has faced many socio-economic challenges over the years. These challenges have resulted in debates on the role of companies in the fight against poverty to become a central issue whenever CSR is discussed. Emphasis has been placed on improving the lives of citizens by targeting poverty, inequality and unemployment (Statistics South Africa, 2019). At a national level, South Africa is aligned and seeks to Sustainable Development Goals with the rest of the global development community. The flaw in this social approach is the fact that we cannot afford it, and therefore need other forms of investments to fund our social welfare system, and this is where CSR comes in.

Merino and Valor (2011:160) state that critics including Blowfield and Kapelus, have pointed out three main shortcomings of CSR when it comes to poverty alleviation. Firstly, the reliance on voluntary codes, the gaps between the North and South in relation to CSR, and the lack of empirical evidence about the actual impact of CSR on poverty alleviation. For these reasons and others, these authors have opposed the view of CSR as an effective development tool, because of the way in which it is currently implemented.

Corporate Social Responsibility is a dynamic and contestable concept that is embedded in social, political, economic and institutional context (Matten et al, 2004). In general, CSR is assumed to be a tool to allow a company to develop a competitive advantage, while also meeting a growing social demand for corporate ethics and greater accountability for its social and environmental performance. Understanding the potential and limitations of CSR initiatives to tackle development issues is the key (Newell, 2007). According to Banerjee (2008), recent work has shed light on the intervention of corporations investing in rural economic development as their host communities. Blowfield et al (2005) stated that numerous claims made about CSR's

contribution to poverty alleviation and other development goals cannot be supported by tangible social benefits.

Poverty is a social problem, and calls for a social solution. In developing countries, poverty is more pervasive in rural areas. These places are characterised by an attitude of hopelessness, including lack of knowledge on how to use available resources to improve the state of life of community members. This results in the dependence upon the State to provide for basic needs of the citizens. Poverty can be reduced by organising and guiding poor people towards helping themselves, and by getting stronger empowerment strategies to mitigate challenges through community projects (Mjonono et al, 2009). For many, CSR provides some of the answers with its emphasis on the Triple Bottom Line (TBL) approach. According to Wayne et al (2004), the idea of CSR along with the related ideas of the Triple Bottom Line and stakeholder theory opens a different kind of business ethics. Corporate Social Responsibility calls for a company to respond not only to its shareholders, but also to other stakeholders, including employees, customers, affected communities and the general public on issues such as employee welfare, community engagement, social development and economic growth.

Therefore, there is a need for a critical approach to strengthen the limitations of CSR in order to achieve poverty alleviation as one of its goals. I myself believe that CSR can be used as a tool for development. However, all the ethical guidelines must be in place to govern the relationship between the corporations and host communities to ensure long lasting social benefits of hosting mining companies. Also, Merino and Valor (2011:160) notes that several authors (Blowfield and Frynas, 2005), (Hamann, 2006) and (Jenkins, 2005) have pointed out that Northern CSR interventions cannot simply be imported into Southern countries, given that the issues of poverty and sustainability demand solutions that may be different to what might be appropriate in Northern countries.

Bringing the argument to South Africa, Mswana S has conducted multiple studies around extractive industries and their access to resources. According to (Mswana, 2015), adopting findings from one of his studies in the Bafokeng community, he argues that despite some observed benefits of as a result of CSR in other communities, mineral wealth is likely to deepen tensions between local power holders within the sphere of rural local governance, thus unexpectedly hindering development, particularly in a context where Traditional Authorities are the architects and champions of community development.

The question that follows this argument would then be, why does CSR not work? I argue for the same reasons South Africa's constitution is deemed one of the best yet the nation is struck by poverty. Policy formulation and CSR strategies do not translate to effective implementation. Therefore, the results can easily be absent.

2.5. CSR AS AN INSTITUTIONAL APPROACH

Normally, the duties of the board of directors in many companies are most times limited to the function of achieving a positive bottom line for their company. This trend has changed in recent times with the ethics of the business environment requiring company directors to understand and attend to a wide range of responsibilities in the local areas where their businesses are located and neighbouring communities, (Flores 2011). This shift has also raised ethical questions around the primary obligation of just looking out for the business owners' main interest of profit from their investments. The concept of CSR and similar concepts of Triple Bottom Line, including that of stakeholder theory have brought about a different kind of business ethics (Wayne and MacDonald 2004).

CSR demands that a company does not only engage with its shareholders, but also with other stakeholders which may include its staff members, clientele and concerned communities as well as the larger society. Such engagement demands that a company deals with issues of employee relations, community relations, social development and economic development among other

things. A good example of this is found in the mining industry where a major objective of CSR programme is the demand for companies to defend their existence and record their performances by disclosing information about their social and environmental activities and impacts (Natalia, 2017). In recent times, many of the big mining companies now provide information about different areas that affect their CSR programmes such as health and safety, social and environmental issues and business ethics.

The issue of ethics arises from the observation that many CSR initiatives in South Africa do not come from voluntary or indirect business decisions. According to Du Plessis *et al* (2014), many CSR initiatives are results of 'forced' compliance with the Broad-Based Black Economic Empowerment (BBBEE) policy. The BBBEE policy requires companies operating in South Africa to engage all stakeholders in the execution of their internal and external functions towards the eradication of social and economic injustices caused by the apartheid regime. The goal is to create an even playing field where previously discriminated people are able to participate in the economy of the country. Porter and Kramer (2011) suggest that tackling social challenges such as environmental protection, community development, youth economic empowerment, basic education and access to good healthcare could improve a company's productivity as these issues have impact on staff well-being. In different contexts of engagement or execution, it has been observed that CSR initiatives come in diverse forms and have different impacts on major issues such as poverty. In most cases, different submissions indicate that CSR initiatives would present a different outlook and outcomes if the needs of the poor are prioritised in planning and execution.

According to Lawrence *et al* (2014), it is now a popular trend for companies to publish annual CSR reports in their financial reports after they have announced a positive relationship between the company's success and its contributions towards society. In South Africa, many companies have different approaches to social responsibility. For instance, BHP Billiton, one of the world's

top mining company uses its subsidiary, the BHP Billiton Development Trust South Africa to organise, implement and manage different sustainable social development projects such as health care, education and training, capacity development as well as social and economic development programmes. Companies such as BHP Billiton demonstrate ethical obligations to be socially responsible even when it is not required by the law. However, the concerning issue is that it is difficult to determine how much of a profit companies really make in relation to the CSR projects they engage in the communities where their businesses are located. This suggests a discrepancy between the level of companies' social projects and their bottom lines which may indicate that they can do more or what they are offering is little compared to what they make (Robyn 2015).

2.6. CSR AS CORPORATE CITIZENSHIP

According to Neron and Norman (2008), there is no clear knowledge of who actually coined the term "corporate citizenship" or the exact period it gained prominence as a term used to describe corporate behaviour. However, it has been established among business managers as a term used to describe an organisation relationship with a host community. Dawkins (2002:272) defines corporate citizenship as "the popular rendering of corporate social performance, extending corporate obligations to include multiple stakeholders beyond the traditional base, such as workers, the community and the environment. It is the outcomes of policies and programs directed towards societal relationships."

The term corporate citizenship is problematic in its definition and meaning. For instance, it is often viewed as the best CSR approach, but this may not be applicable in the South African context. As Logsdon and Wood (2002) argue, corporate citizenship is normally used in a way that absolves companies of a new role or responsibility. Windsor (2001) suggests that the concept of corporate citizenship is problematic because of the way it absorbs the key term "citizen", in the sense that a company cannot be referred to as a person, but can only be a legal

entity. This is why Muthuri *et al* (2012) observed and noted that companies refer to their relationships with communities as an integral aspect of their ‘citizenry’, however this can never be true. Also, Vogel (2005) and Margolis *et al* (2003) have observed the conceptual problem of corporate citizenship particularly with regards to its direction and the misalignment of interests between companies and community. The authors recommended that CSR as an area of knowledge requires to be broadened in its perspectives in a way that clearly state the social responsibility roles of a company and the roles of society in keeping companies accountable. The authors further emphasise that if companies are integral members of society, they therefore, need to be socially incorporated in the interest of peace and sustainable development.

2.7. CSR AS GREEN WASHING

Figure 3: Behind the scenes



CSR as green washing is a term used to describe the misleading corporate practice of reporting in which a company claims to have executed certain social projects in a community, and has contributed to economic development or improvement of the environment without substantial evidence to prove these claims Rémi and Vauday (2009). The term itself leans on environment development or ecological accountability. Cairncross *et al* (2013) states that in the life cycle of mining the final step is closure of an exhausted mine which theoretically includes the rehabilitation of the land, but this rarely occurs. Abandonment is more the norm, leaving a legacy of vast quantities of solid waste in the form of slimes in dams and waste rock, lakes of polluted water and a devastated environment, both above and below ground. In this regards, CSR and advertising how the land will be rehabilitated becomes a strategic complement used by companies to mislead the public. In the same view of this, Hamann and Kapelus (2004) recommend accountability and fairness as key criteria that can be used to measure the reality and effectiveness of CSR approaches and practices Kapelus (2002) findings reveal a wide gap between CSR initiatives of mining companies in relation to accountability and fairness towards communities where their businesses operate. Interestingly, Kapelus' study was based on the case of Rio Tinto and the initial host communities of Rio Tinto known as Richards Bay Minerals i.e. Kwambonabi, Sokhulu and Nhlabane. According to these scholars, business claims of voluntary CSR initiatives must not be treated with light-heartedness or taken at face value. CSR is not and should not be used as a tool to greenwash a company's image. They argue for a critical stakeholders' engagement as a positive effort towards the achievement of better outcomes of CSR programmes and related initiatives.

CONCLUSION

Looking back at what is CSR, the history of CSR and what could be the benefit of CSR in poverty alleviation. I am arguing that achieving development at an economic, environmental or social level requires a lot of issues to be overcome. My definition of poverty goes beyond lack

of money, but also lack of access to self-development opportunities, education and health facilities and services such as water and roads. All these are missing tangible benefits of hosting a multimillion mining company for KwaNdaya and Port Dunford.

Mnwana (2014 and 2015) highlighted a trend that extractive industries do not abide by their promises to host communities. It is a known fact that the South African government and those of other developing countries are struggling to fulfil the social needs of all their citizens. Placing us on the receiving edge of Foreign Direct Investments and loans. This has led to slow progression of RED and in turn has triggered other societal problems that can be prevented provided there was enough resources.

Scholars arguing that most tools of development are tainted by capitalism, including CSR are not wrong. Literature emphasises on the fact that with or without CSR, business corporations have an obligation to all who are, or could be affected by their production activities. CSR in its own has little to do with caring about what happens after corporations exit communities but must provide social economic relief to ensure operations are not halted.

Africa is rising and the current generation has willingness to confront the injustices and rightfully fight for what they believe is fair. Generations before us have already shed blood to gain independence, and currently our generation is fighting for economic freedom and not just mere development. In the pursuit for development, big multination corporations operating in Africa are intimidated by the massive up rise of the social class. With this statement, I am referring to social mobility within a social stratification system. As African millennials we are interested in improving the economic status of our families and of our nations. Therefore, for multinational companies have two options, negotiate for better terms of trade whereby all Africans benefit from mineral resources or leave Africa.

3. CHAPTER THREE: THEORETICAL FRAMEWORK

3.1. INTRODUCTION

This section provides a theoretical framework which underpins the study. The framework consists of two theories linked to CSR. These theories were selected based on the objectives of this study and encouraged by the literature reviewed. The theories have been explored by numerous academics and businesses to an extent that there is a view of what the ideal approach to CSR would look like, but even the ideal approach has loopholes because it could be just a mask.

3.2. WEAKNESSES OF CSR

Flores (2011) makes a good argument regarding the fact that CSR can be or is a great tool for development, especial in developing countries where the government cannot be seen as the exclusive social change agent as they lack resources and funds to meet all the needs of the citizens. However, I argue CSR wears different masks through the various approaches explained in Section 2.2. above. There is no fixed definition of CSR and how it should look like. Therefore, it is difficult to measure its worth. The power to shape CSR and cultivate desired results is dependent on the decisions made in the boardrooms where community members never set foot. Those that are said to represent ordinary community members, such as community Liaison Officers, are also on the payroll of corporates, and the question is, what would stop them from having the same ulterior motives of using CSR as just a tool to access the resources and community members do not disrupt operations? Many CSR initiatives are losing their relevance and do not have a leg to stand on in the development space, unless those making decisions about what to invest in host communities leave the boardrooms and come down to the people. This study does not look to glorify CSR, it seeks to understand which theory is suitable to support CSR in achieving its objectives. This study aims to find a suitable solution

for a community that is currently pitted against each other because of CSR initiatives not producing tangible benefits.

When host communities are conflicted, a trend that is visible across Africa is the withholding of the license to operate. In the recent years they use the “not in my back yards” slogan until they see social benefits they have been promised. Therefore, this chapter looks at Primitive Accumulation and Accumulation by Dispossession as two theories that have influenced CSR administration which has caused conflict and power struggles after democracy. To buttress these concepts, I also use Fraser’s concept of parity of participation.

3.3. DEVELOPMENT BY DISPOSSESSION

I have neither interest nor space to discuss the complexities of capitalism, however to understand primitive accumulation, I had to plough through social theories and explore Marxian alienation theory as the worst kind of capitalism. In Marx’s words: “It is no good for a labourer to work tirelessly to produce a masterpiece, that will later be separated from him or her in return for a mere salary just to survive” as quoted by Fennimore *et al* (2002:13). There is a social satisfaction that comes with having a tangible relationship with the work of our hands or being included in decisions it.

Primitive accumulation is a form of capitalism with a bigger problem at hand, mineral resources and land with no intention to benefit those that the resources initially belonged to This can be traced back in the case of South Africa with the embedded scars on our social history and development as a result of the apartheid system. Primitive accumulation gave birth to various industrial societal issues such as political indifferences, inequality, racial discrimination and exclusion.

The reason CSR came to life was to redress primitive accumulation and the injustices of the past. I believe primitive accumulation rebranded itself as accumulation by dispossession

(ABD). A process constantly accompanying capitalism at its various stages of development (Harvey 2003:144). The classical rephrased definition of accumulation by dispossession is “a system where by capitalism is encouraged through free market policies that result in a centralization of wealth and power by dispossessing the public and private entities of their wealth or land with the promise to redistribute fair chances to all”. However, I argue the power is only disposed from the public as private entities that are powerful remain unaffected. To continually get access to resources a certain mask has to be worn. Accumulation by dispossession wears the CSR mask with the promise to develop while dispossessing Africans of their mineral wealth.

Claassens and Boyle (2015) state that apartheid’s Bantustans trapped millions of people in poverty, they did not have the freedom to move as they wish, all they had was land. The same people are again being dispossessed of those land rights, pinning the argument that the land belongs to Traditional houses. They further argue that, previously the basis of discrimination and segregation was race, now it is the tribal authority jurisdictions put in place by the Bantu Authorities Act and re-imposed by the Framework Act. Parliament has the power to prevent this double dispossession by reviewing interpretations of custom and traditional laws that affect an endorsing of policies that undermine the promise of progress.

The mining sector represents the reformed feature of capitalism, it wears CSR as a mask and always has good intentions when it approaches poor communities situated where mineral resources are deposited. It is profit machine combined with illegality and corruption to provide a site for primitive accumulation based on plunder and unequal exchange.

One of the central points in understanding primitive accumulation is Marx's critique of political economy. As mentioned in Chapter One, there are political, social and economic power struggles that inform and shape communities, and KwaNdaya and Port Dunford are not exempted. The key is to understand different conditions and forms in which ABD may

implemented. Primitive accumulation occurs through the interaction between North and South, an international division of labour, and through the division of African communities.

Personally, I do not care that mining occurs in KwaNdaya and Port Dunford, my case is clearly around who benefits from it. In his paper “liberalising looting”, (Chandrasekhar, 2010) states that mineral accumulation by mining corporations who extract mineral resources occurs at the expense of local populations, whose traditional habitat and means of livelihood are damaged. This is seen with continuing community unrests in developing countries against corporations. My argument is that during the time span of a mine, there should be accountability relating to socio-economic development for those who mine the land in direct relation to those who previously stayed in the land. Compensation, relocation and rehabilitation must be organised in ways which are socially fair and equal for all members of the community. Benefits should not only politically and traditionally favour the privileged members of the community.

Those in power in rural settings convert previous royalty streams into direct equity stakes in local mining operations, simultaneously reconstituting themselves as a fraction of the new BEE elite while clearing the way for further mining expansion (Capps and Mnwana, 2015: 610). Noticeable with a naked eye through material stakes multiplying for the few while dispossession of mineral resources proceeds swiftly. While Capps and Mnwana (2015: 607) focus solely on platinum mining, I argue that the extractive industry since its inception in South Africa with gold presents a wider relationship between Primitive Accumulation and Accumulation by Dispossession, which has manifested lately across the continent in the context of large-scale land acquisitions by foreign investors. I am in agreement with Capps and Mnwana’s (2015) view that the inequality and social ills of this is because of the ultimate trustee of tribal-trust land. The policies need to be reviewed as the current ones were mediated by apartheid leaders. Every aspect of the relationship between the mineralised chieftaincies and the mining corporations unilaterally favour those who made the policies.

As a result, this has erupted a new wave of popular struggles around the question of whether ownership of land should exclusively be vested in Traditional Authorities (TAs) Capps and (Mnwana, 2015: 607). Is land safe in the hands of TAs, and distributed equally to realise socio-economic rights for all members situated in traditional landscapes? Land as a natural resource has an ironic characteristic, as access to it is a significant factor for any developmental activities. But this places dispossession from land at the center of capitalism. With the ongoing debate in South Africa of expropriation of land without compensation, the continued privatisation of land by people not known to the communities is often based on secret deals made with people in power among the community which causes social conflict and social unrest.

Harvey (2007: 35) emphasises that dispossession entails the loss of rights, dignity, sustainable ecological practices and environmental rights. He argues that there are four processes in which dispossession may occur; privatisation, financialisation, management and manipulation of crisis, and state redistributions. However, I will only speak to two, privatisation and manipulation. Harvey argues that within these processes of ABD commodification and privatisation of land are two of the characteristics that cause more damage. Cairncross *et al* (2013) confirms that the life cycle of mining starts with exploration for exploitable deposits, proceeds to the forced removal or forced sale of those who own or occupy the land. This means that regardless of the unilaterally consummate social planning of the apartheid system, there are reasoning voices that stand to oppose the process or fight to make the lease agreement favourable for the wider community.

On the same note, Harvey (2007) makes a valuable point that one of the challenges facing Marxists in the 21st century is to understand in actual terms the ways in which expansion, underdevelopment, exploitation, and dispossession not only coexist but also combine with one another. This means rural areas are a priority to stabilising the economic status of the country and should not be exploited or be left out of the development equation. The problem with

addressing uneven development is that there are limited platforms that allow inclusion of common society members to discuss their own future and how their development should look like. According to Claassens and Boyle (2015) concerned citizens seeking to review the web of laws, regulations and multibillion-rand mining deals on cases and land rights are shut out. Their view is that the approaches that acknowledge the complex and specific history of land occupation and African land purchases are dismissed. Democratic practices that honor substantive and procedural customary entitlements are ignored in favour of a less nuanced version of custom. Traditional leaders, often by virtue of their position in councils, are being included in the distribution of equity and equity-based revenue such as dividends, with little or no guarantee that benefits will reach people on the ground. In several cases, courts have issued crippling punitive “cost orders” against community leaders who have sought to challenge these exclusive arrangements. They argue that using legislation in this manner entrenches dispossession. It undermines the legitimacy of the law, the law-making process and public confidence in the impartiality of the courts. The literature reviewed by Claassens and Boyle (2015) stress that multiple levels of authority and decision-making extends upwards from the household, through the extended family, the clan and the village to the wider polity. It was with this reason that I buttressed ABD with Fraser’s concept of parity of participation.

3.4. PARITY OF PARTICIPATION

Fraser (2000) argues that the principle, central to the liberal tradition of the equal moral worth of citizens, requires ‘parity of participation’ across multiple discursive arenas in society where political, economic and social decision-making occurs. The standard of participatory parity is more demanding than formal equality. It requires the creation of the necessary substantive conditions for people to participate in society as peers or equals, and this does not happen with traditional structures wanting to exercise power on people, resources and community trust funds.

Fraser (2000) as quoted by Liebenberg (2015) emphasises that there are social arrangements that institutionalize deprivation, exploitation, and gross disparities in wealth, income, and leisure time, thereby denying some people the means and opportunities to interact with others as peers.

For generations, decisions about the allocation of public benefits excluded common people, treating them as lesser equal members of society and this continued to present day in mineral rich rural South African communities. Fraser (2000) stresses that the political community does not ensure that decisions concerning the distribution of social and economic resources reflect the equal citizenship of the poorest members, it focuses on who has the power in the community and takes a gamble that they have interest of the well-being of all citizens. I believe that this undermines social justice, it makes community members angry leading to explosion of social revolution, social conflict and community strikes. According to Claassens and Boyle (2015) exclusion created by land right laws is not sustainable. It undermines the survival of the very institutions it seeks to support.

Fraser (2000) says that the necessary condition for parity of participation is the elimination of systemic economic inequalities. This does not mean that everyone must have exactly the same income, but it does require the sort of rough equality that is inconsistent with systemically generated relations of dominance and subordination. McLellan (2006) quoting the works of Karl Marx calls this the clear view of what social stratification is. Karl Marx's literature alludes that all people have the ability to climb the stratification ladder when provided with necessary resources, but it is impossible for all members of the society to be at same strata at once.

The second condition to be in place for participatory parity concerns an agreement that eliminates social relations entitling cultural patterns of value that systematically deny some people the status of being full partners in interaction by burdening them with excessive layers to overcome before they can sit in the table of discussion Fraser (2000). Fraser continues to

argue that when such patterns determine who are the actors or peers in discussions, it limits participation on a par with one another in social life, and this creates a barrier of reciprocal recognition and status equality. Misrecognition of people as equals can lead to psychic deformation that results to institutionalized relation of social subordination. To be intentionally misrecognized means being looked down upon or devalued. It is rather to be denied the status of a full partner in social interaction, and these are the consequence of institutionalized patterns of social stratification.

The first barrier to participatory parity is associated with the politics of redistribution, while the latter barrier is associated with the politics of recognition involving the struggle to affirm the identities and equal status. Fraser's account of democratic justice based on the right of all to participate as equals in society resonates with many features of South African constitutionalism. It is based on a substantive account of equal participation which is sensitive to both the economic and socio-cultural barriers to effective participation. Rio Tinto has promised KwaNdaya and Port Dunford social benefits for hosting the mine and not the Chieftaincy's household, therefore the whole community should have a voice as to how to structure funds invested by Rio Tinto to the community

CONCLUSION

Primitive accumulation of land has created numerous historical impediments to RED. Currently, expropriation of land is a heated debate in South Africa. Lack of knowledge continues to sidetrack communities as stakeholders on the bargaining table. They need to invest more in learning about the worth of their resources the moment private businesses and mining houses start roving around like vultures on long forgotten peripheral areas of South Africa. Accountable and fearless leaders are needed to represent communities and they must be educated and knowledgeable to make informed decisions. CSR has the effect of taking resentment away from the state, and of course from the business corporations, by turning non-

stakeholders against shareholders in a desperate scramble for resources, and those conflicts filter down to become community unrest through violent strikes.

CSR is used as a softener, with endless promises on its list for social benefits to pave a way for corporations to get their hands-on mineral wealth situated in rural communities. This chapter concludes that primitive accumulation entails loss of land rights and dignity. It undermines community development and ecological rights. Approaches reviewed weaken CSR when applied to illiterate marginalised populations, who even with low education levels are willing to fight to be part of decisions about what is next in their lives, and rightfully so they need to be afforded a chance to shape their own development. CSR is the mask accumulation by dispossession instead wears to navigate its path to mineralised communities.

The next chapter discusses the methodology used to gather data from secondary sources, Focus Group Discussion (FGD), Key Informant Interviews (KIIs), Interview guides and community observation to substantiate the literature and theoretical framework.

4. CHAPTER FOUR: RESEARCH METHODOLOGY

4.1. INTRODUCTION

This chapter focuses on the research methodology used to conduct the research as per proposed in Chapter One. I discuss in detail the methodology adopted in the study of Corporate Social Responsibility in the case of Rio Tinto and rural communities of KwaNdaya and Port Dunford. The aim of this study was to assess whether ZSMLA mining project will have an impact on RED of KwaNdaya and Port Dunford. This chapter includes also a brief description of the population, the method used in sampling the required sample, an indication of where the pilot study was conducted and concludes by explaining the sorting and presentation of the data.

According to Sibiyi (2010), a research methodology is the way in which research is conducted and it is the philosophical assumptions and principles of the researcher that determine this

stance on how to do research. Jackson (2006:12) also reiterates that a research methodology defines what the activities of the research were and how data collection was proceeded. He further states that a research methodology provides the researcher with an advancement of wealth found in human knowledge, tools of the trade to carry out research and tools to look at things in a critical approach to find solutions. In other words, a research methodology is the way to systematically solve the research problem by logically adopting various steps.

4.2. RESEARCH DESIGN

According to Maree (2007:50) research design is plan of how to proceed in determining the nature of the relationship between variables. The research design is also a method to be followed in conducting the research, each step in the research design indicates what has been done, how it was done and why it was done in a specific way. Furthermore, Sibiya (2010) indicates that the function of the research design is to provide for the collection of relevant data with minimal expenditure of effort, time and money. He states that the aim of a research design is to guide the researcher through the process of collecting, analysing and interpreting data.

A research design includes plans, structure, and strategies of investigations which seek to obtain answers for the research questions. Qualitative method including both primary and secondary data was used in this study. Secondary data was also collected to analyse all the information about the Corporate Social Responsibility plan of Rio Tinto in relation to Mining Charter. I also collected information on Sustainable Developmental Goals in comparison to the IDP of uMhlathuze Ward 22 and the Sustainable development report of Richards Bay Minerals (RBM) to find out if they have aligned their strategic approach to poverty alleviation and the NDP2030 vision.

4.3. EVALUATION RESEARCH

According to Buber *et al* (2004) the underlying evaluation research method is to determine the impact of an intervention in a society. Evaluative research method seeks to analyse the impacts and propose strategies to better the implementation of social programmes or benefits in the context of this study. Mouton (2006) indicates that evaluative research methods focus on already existing knowledge. An evaluative research examines social programmes from a number of different perspectives and looks for casual linkages between programme activities and impact. Evaluative research methods were used as primary methods in the study to seek understanding about the reported investments to develop the communities of KwaNdaya and Port Dunford are reported to have been invested to date. Furthermore, evaluative research seeks to understand where the shortfalls and gaps exist in order to provide recommendations to help sustain the programme.

The choice of research methods in collecting and analysing data seeks to highlight evidence in the links between the phenomenon and reality. I used a qualitative research method approach to collect data. Qualitative methods focused on the in-depth description of attitudes, opinions and behaviour of the participants towards the ZSMLA mining project and the views of the traditional leadership on potential benefits going into the future. Qualitative research also helped to gain in-depth understanding of the agreement signed between the Traditional Authorities and Rio Tinto for land use. Reviewing secondary data in the form of readily available online documents including the annual reports and minutes of engagement with the community in 2014 provided insight into the problems at hand, and helped to conceptualise ideas for potential recommendations. Quantitative methods focused on merely the numeric demographical trends of the participants and was used to a minimal point. The qualitative data provide a deep understanding of the responses, and quantitative analysis provided detailed assessment of patterns in responses.

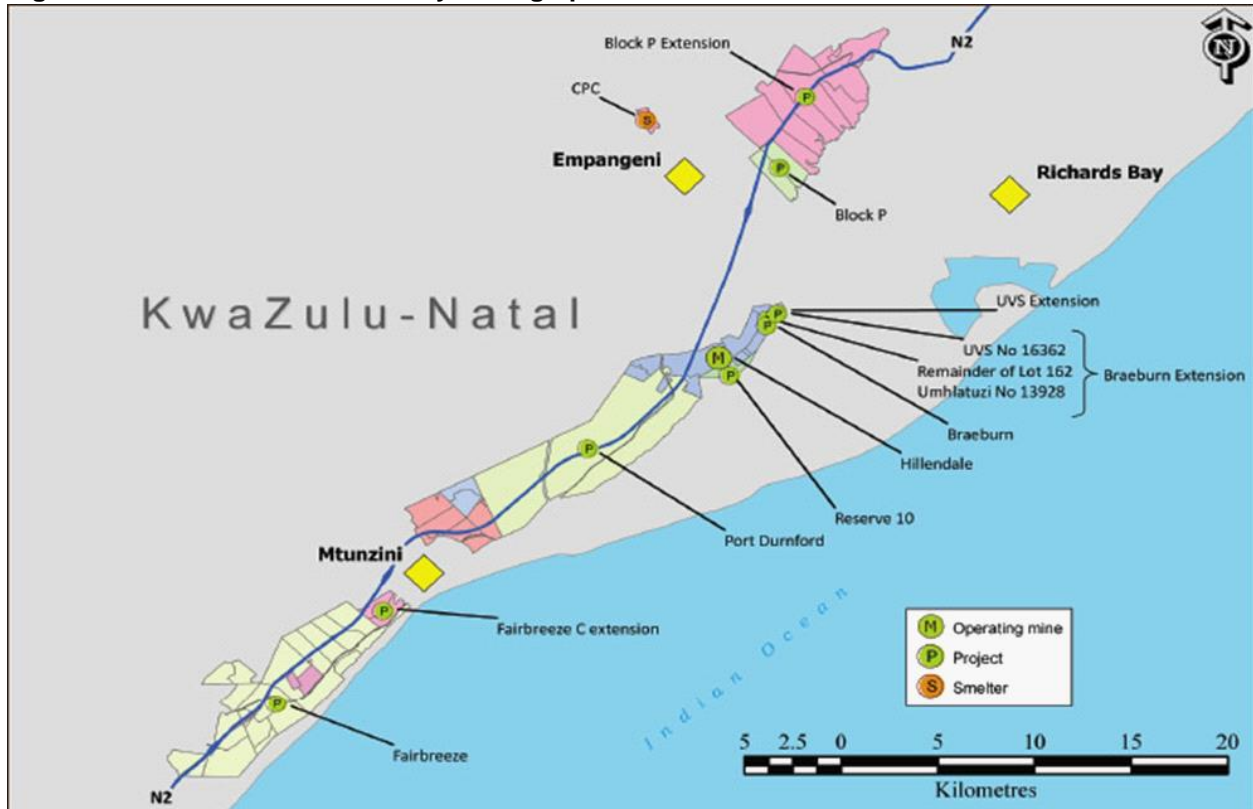
Qualitative methods were the core importance for the study because they allowed me to collect valid data through engaging with participants. This was achieved through a Focus Group Discussion (FGD) with youth in the community and detailed interviews with five people who sit in the traditional councils representing KwaNdaya and Port Dunford in a committee called uMkhandlu weNkosi. The data collection also entailed an observation activity to note and document any positive and negative changes within KwaNdaya and Port Dunford. Harrell and Bradley (2009) emphasise that a research method enables the researcher to do proper analysis and conduct interviews that will give answers to the research questions. The sample, which represents the population of 20 participants will be outlined in detail in Section Five of this Chapter.

4.4. LOCATION OF THE STUDY

KwaNdaya and Port Dunford are rural communities situated in the Northern part of KwaZulu-Natal on the coastal margin of the Indian Ocean under uMhlathuze Municipality. They are on the periphery of a suburb location called Esikhaleni previously known as eSikhawini, hence it is called eSikhawini “*KwaNdaya Reserve*” 10 in Figure 1 below.

Figure 4 below does not only identify the location of the rural communities, it also highlights the Northern part of KZN affected by mining, it clearly shows Port Dunford being adjacent to KwaNdaya, however these two communities are different special cases on their own. They do have a good relationship of being marked as zones for industrial development. The choice of the study area is close to my heart as I was born and raised in KwaNdaya.

Figure 4: Northern KZN affected by mining operations



Source: *Adopted from Exxaro Sands 2014 report*

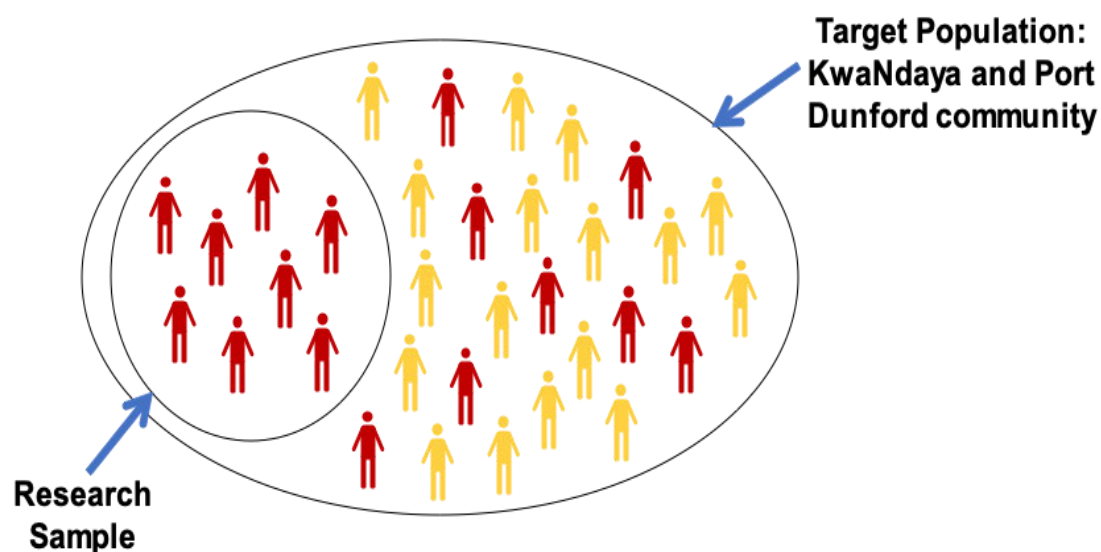
Over the past five years, I have gathered knowledge throughout my junior degree, post graduate studies and through observation and identified gaps in the richness of the communities based on natural resources and living conditions. There were many missing pieces of the puzzle, in Chapter Five I discuss the great potential of these two communities to break away from poverty and other social ills such as crime, drug usage in provided Rio Tinto’s CSR plan abides and delivers to terms and conditions of the initial agreement.

4.5. RESEARCH SAMPLE

According to McMillan and Schumacher (2001:169) the research sample is defined as a specific pool of the case the researcher wants to study. Kumar (2011) defines the research as a target population to be studied and emphasises that the characteristics of the elements are limited to the researcher’s choice of study and chosen based on the methods used in data collection. While the research sample is not limited to people but also extends to journals,

reports and books related to the topic of interest, the target population only relates to humans and this is noted in **Figure 5** below

Figure 5: Target population and Research sample



The target population for this study was the rural communities of KwaNdaya and Port Dunford, and Rio Tinto, the hard copy of the agreement signed between Rio Tinto and the Traditional Authorities from KwaMkhwanazi and any supporting documents. In the community, the study targeted the community members which are actively affected by the ZSMLA mining project, while at Rio Tinto the study aimed to get better understanding from the Project Manager and Liaison Officer about the CSR plan for KwaNdaya and Port Dunford. The study also included the minority of the working class within both communities to understand if their views and perceptions were similar to those of unemployed community members.

4.6. SAMPLING TECHNIQUES

Clark and Creswell (2008) identify two types of samples as probability and non-probability samples. With probability samples each element has a known probability of being included in the study. Probability sampling was therefore adopted as a perfect fit for the study. They further state that the use of probability sampling in evaluative research ensures the generalisation of results. In the study participants were selected using a purposeful random sampling strategy

which ensured that the appropriate information can be gathered from their knowledge. According to Kumar (2011), purposeful sampling means intentionally selecting participants who have experience with the central phenomenon or the key concept being explored.

The participants list consisted of 12 community members between the ages of 18-35, which in the South African Constitution are regarded as the youth. Youth remains the priority for development and economic growth in South Africa. The target population and the reason for choosing the sampling methods discussed below, were informed by the ease to use both IsiZulu and English during the interview process. This was important to break down the language barrier. Some words do not exist in IsiZulu therefore I was forced to use English now and then for some questions or during probing.

There was a mixture of both employed and unemployed participants, those with and without a Matric qualification. There was also a few in possession of a post Matric qualification i.e. National Diploma, Degree or Postgraduate Studies in any field of study. The last six participants were key informants, the people who know exactly what happening in the mining project, committee members of the KwaMkhwanazi Traditional Council, KwaNdaya community committee and Port Dunford youth committee, one KIIs was from uMhlathuze municipality.

4.7. SAMPLING METHOD

According to Trochim (2006:25), sampling is the process of selecting units from the population of interest. I used purposive sampling to select 20 participants, this unit is based on the availability of resources and also consideration that I needed to collect in-depth quality data for the study to achieve its objectives. This was going to be achieved by using the sample of purposefully selected participants from different social classes within the target population, ranging from the signatories of the mining agreement to the community members at grassroot

level. The aim was to give all different stakeholders a chance to have a voice so that their true feelings, opinions and recommended plans going forward may be taken into consideration.

4.7.1.Purposive Sampling

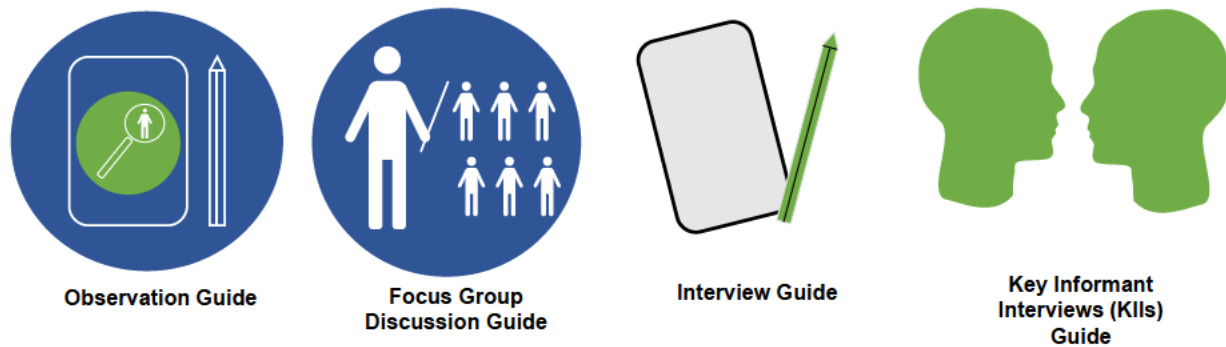
Vanderstoep and Johnson (2008;76) document purposive sampling to be as a judgmental, selective or subjective sampling. It is a sampling method in which as a researcher you have to rely on your own judgment when choosing members of the population to participate in the study. In purposive sampling, the researcher selects people who can best assist in the study to understand its main aim and its expected outcomes. Purposive sampling required me to visit the community often before selecting the sample suitable to take part in the focus group discussion based on the outcome of the observation session in community meetings.

Although unplanned for in the proposal stage, convenience sampling played part in selection of the participants. Özdemir *et al* (2011:262) refer to convenience sampling as a sampling method used to select people who will be participating in the research project based on availability of resources. Similar to purposive sampling, convenience sampling does allow the researcher an option to choose reliable and accessible participants. During Focus Group Discussions (FGDs), a selection of viable and active young people in the communities were urged to not miss the discussions and to bring along other people that they know would add value to the discussion.

4.8. DATA COLLECTION TOOLS

This section outlines the range of data collection tools developed for this study and the processes employed to ensure they were consistently and rigorously used. All tools were approved by the research committee to keep me cautious and mindful of human dignity. The list of tools included the following:

Figure 6: Data Collection Tools



4.9. PILOT STUDY

According to Creswell (2003) a pilot study is where by the research design is tested to determine if it yields the required results. The pilot study involves the distribution of a Interview guides to the different group of population from that to be studied. A pilot study allows the researcher to identify the shortcomings of the research design. It provides an opportunity for the researcher to assess if the Interview guides or interview guides generate the information as per intention. In preparation for the study a pilot was conducted in a form of research paper for DEVS803H1: Comparative Development Problems (CDPP). NVivo coding practice was gained through DEVS820H2 Research Methods 1 (RM1). The task included interviewing a participant, coding and analysing the data and interpreting the results. CDPP and RM1 informed two modules out of six of the first component in the satisfactory requirements of a Master's Degree in Development Studies coursework. This study is the second component of that requirement.

The pilot identified a variety of loopholes in the length of the interview, the structure and wording of the Interview guides. The Interview guides was altered according to the course facilitators and participants' suggestions.

4.10. Fieldwork

Fieldwork took various approaches, differing from each sample to the next and based on the level of detail required from each research sample. It included document review, KIIs, FGD and observations. The KIIs and FGD guides consisted open- ended questions. This was to enable me

to probe where there were gaps in information. Open-ended questions allowed the participants to not adapt to any pre-conceived answers (Harding, 2013). Furthermore, Turner (2010:754) points out that open-ended questions are flexible in that they allow the researcher to clear up the misunderstanding should the question be double barreled.

4.10.1.Primary Sources

Primary data for this study was collected through field research. The field research instruments included an interview guide, an observation form and focus groups discussion guide

4.10.1.1.Key Informant Interviews

According to Kruger and Welman (2002) an interview guide is a list of questions compiled to gather information on the main research objectives. The questions can be open or closed-ended. The study used a qualitative method, therefore open-ended questions were used to allow participants to elaborate on their responses. Mouton (2006) stated that a poorly assembled and long Interview guides distract the participants and does not get the required information. The interview guide was carefully constructed to put respondents at ease and ensure they were interested in answering all the questions. The interview guide started off with easy questions about the past and current state of the ZSMLA mining project and ended off with medium to serious questions about the future of the host communities after hosting the mining project.

4.10.1.2.Observations

According to Mouton (2006), “observation implies the collection of information by way of investigator’s own observation, without interviewing the participants. The information obtained relates to what is currently happening and is not complicated by either the past behaviour or future intentions or attitudes of participants”. However, the researcher might opt to use this method to compare the respondent’s answers to what is observed in evaluative research. During the course of the study I observed the ZSMLA mining project host communities to verify the data collected through primary and secondary data sources.

Direct observation allows for a more systematic, structured process when using a well-designed observation form. The main advantage of direct observation is that a community can be studied in its natural setting and daily proceeding, providing a richer understanding of the subject USAID (1996). Observation took a full day and included driving around both communities to take notes of physical infrastructure such as dwellings around the constructed mine. Pictures were taken as proof to support the analysis. The area observed was from **28°55'03.6"S 31°49'40.4"E -28.917664, 31.82790** better known as *Ezimele* to an *Unnamed Road Sikkhalasenkosi 3887* known to local residents as *PD ezitolo*. These are the two entrance points to both communities of KwaNdaya and Port Dunford.

All the data gathered as per the above methodology was captured onto Excel spreadsheets allowing for capturing of the qualitative data through Atlas.ti. This made a comparative analysis possible in order to identify common responses and trends. A summary of the findings was prepared together with information obtained during the literature review. A draft of the findings is found on Chapter Five of this study.

4.10.2.Secondary Sources

Secondary data sources provide information already existing and being used by other researchers. They are usually consulted immediately after deciding on a topic to be investigated and can be accessed through internet, libraries and other sources of information. In this study, the secondary sources used were:

- Journals and studies on CSR,
- Case studies on Accumulation by Dispossession,
- Mining industry legislated policies regarding CSI (Mining Charter and Kings Report ii & iii),
- Previous research papers,
- Rio Tinto (Richards Bay Minerals (RBM) annual reports): 2013 - 2015

- Public statements by Rio Tinto or Richards Bay Minerals (RBM) and annual company documents,
- NDP 2030 vision report,
- 2016-2017 IDP reports from uMhlathuze Municipality, and
- Census 2011 from Statistics South Africa.

4.11. ANALYSIS AND INTERPRETATION

According to McMillan and Schumacher (2001:464) analysis, interpretation and the presentation of the data must be based on the perceptions, understanding, attitudes, knowledge, values, feelings, and experiences of the participants. This study adopted a thematic analysis method to analyse the qualitative data collected through interviews and document review. According to Braun and Clarke (2006:87) a theoretical thematic analysis tends to be analyst driven, led by the researcher's theoretical or analytic interest in specific the area. Thematic analysis is considered as a suitable method to identify the patterns and interpret the data from interviews or open-ended responses (Lynass *et al*, 2012). According to Legewie (2013), an analysis requires a number of closely related operations such as establishment of categories, the application of these categories to raw data through coding and tabulation. During analysis, I used Atlas.ti software as a substitute for the initial NVivo software to analyse the data. Atlas.ti is a qualitative software analysis programme similar to NVivo, the software comes highly recommended with the advantage to keep a backup copy of all the work done. Users input data in the form of word documents, pdfs or Excel spreadsheets. The qualitative data is then coded and the information is collated according to emerging themes.

4.12. DATA VALIDITY

Sibiya (2010) indicated that the relationship between validity and reliability is that, if the research design used in the study is valid than the instrument used in data collection is deemed reliable. For this study, a pilot was conducted to test the reliability of research instruments. The instruments were tested and deemed reliable as the main study produced similar results as those

from pilot study without the inclusion of the piloted sample. The pilot study is further elaborated on **Section 4.10** below.

BetterEvaluation.org page accessed on the 28th of February 2020 states that “good data management includes developing effective processes for consistently collecting and recording data, storing data securely, backing up data, cleaning data, and modifying data so it can be transferred between different types of software for analysis”. Stating that it is crucial to take into account the reliability and validity of data when conducting research. In order to test the reliability and validity of data, I used multiple data collection methods, while the interview guide used for KIIs and FGD had similar questions, triangulation through observation had to take place for me to compare whether the same results were coming out.

4.13. ETHICAL CONSIDERATION

According to Welman and Kruger (2001:171) conducting research is an ethical enterprise. It refers to ethics as a system of morals, rules of code of moral guidelines on how to conduct research in a morally acceptable way. Legewie (2013) agrees with Welman and Gruger’s statement, stating that ethical consideration are the rules that prevent the researcher from manipulating or misleading the participants to participate in the study. This is to accommodate the changing ethos, values, needs and expectations of various involved stakeholders, such as participants, researchers or sponsoring organisations (Kumar, 2014). Confidentiality and informed consent were highly observed to protect participants.

Ethical approval for the study was received in November 2017. There are social benefits on the other side of the table, promises of youth employment and development projects. Good ethical practice includes anonymity, confidentiality and privacy where requested, to retain the trust between the researcher and the subject (Novak, 2014). The participants signed consent forms after good explanation in detail their rights to withdraw from the study at any given time, should

they feel uncomfortable or exposed. Participants understood there was no penalty for such action and no direct reward for participation such as monetary value or vouchers.

The consent forms signed by the participants will not be shared with anyone and will remain in a sealed envelope with the memory stick and disc that has the recording of the FGD. This process ensures identities remain anonymous and that no community members are targeted and social excluded in any possible benefits that might be yielded by the CSR plan of Rio Tinto. The FGD was recorded to make facilitation easy for the researcher. Even though participants were sensitised from not mentioning names, some names were mentioned during the discussions.

CONCLUSION

In summary, this study used primarily qualitative data, quantitative data was used minimally to account for “*how many and how many times*” any noticeable incidents took place. Qualitative methods were applied to rigorously collect and analyse data. This data was confirmed reliable through triangulation from various sources. The research design, methodology, data collection instruments and data sources were elaborated to state steps taken during fieldwork. Furthermore, the validity of the research design and the reliability of the instruments used in the research were emphasised. The execution of the pilot study was also explained and ethical considerations used in the field.

5. CHAPTER FIVE: FINDINGS AND ANALYSIS

5.1. INTRODUCTION

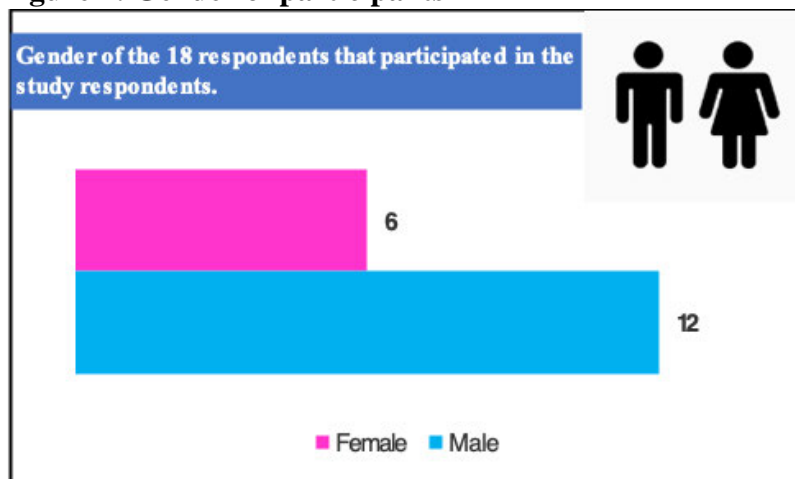
This chapter describes and analyses the research findings from the participants and presents the findings from the research study titled Corporate Social Responsibility in the case of Rio Tinto and rural communities of KwaNdaya and Port Durnford. It also presents a synthesis of the qualitative data collected. The first section focuses on presenting and interpreting the demographics of the participants. The second part of this chapter elaborates on the themes used during analysis to code the data collected. The themes discussed include all data collected during documents review, these were later triangulated with data from the Focus Group Discussion (FGD), Key Informant Interviews (KIIs) and Observations.

All participants were selected using purposive and convenience sampling. The participants ranged from Traditional Authorities, youth of KwaNdaya and Port Dunford, uMhlathuze representative and Rio Tinto Community Liaison Officer. From the sample of 20 participants, 18 (90%) took part in the study.

5.2. DEMOGRAPHIC SAMPLE BREAKDOWN

Demographics describe the trends found in the population to be studied on a histological perspective and current situations. There are numerous investigated demographics in social research. This study focused on seven demographics which are vital to the purpose of the study. They include gender, age, level of education, employment status, and the settlement or location of the participants. Demographics provide enough information to create an imaginary picture of the participants and help in creating classes or categories in analysis and representation (Gjonça, 2004). The demographics of the participants were collected and analysed to give an overview representation of the people in KwaNdaya and Port Dunford.

Figure 7: Gender of participants

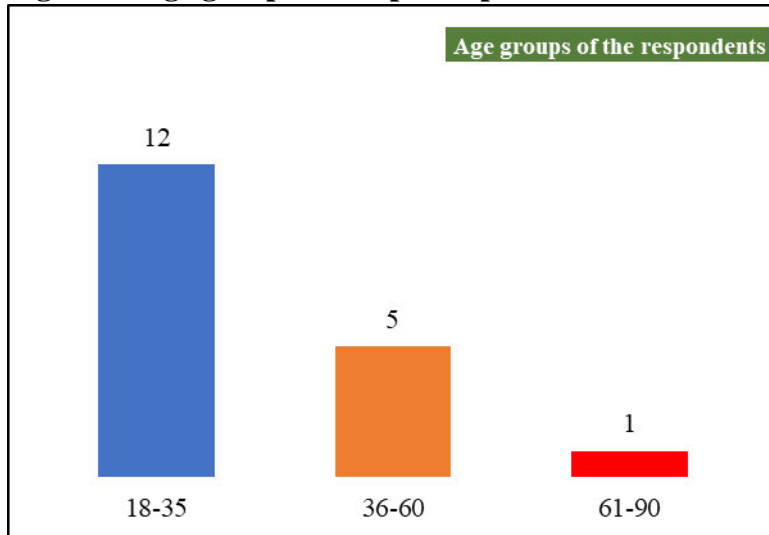


Source: Fieldwork 2017.

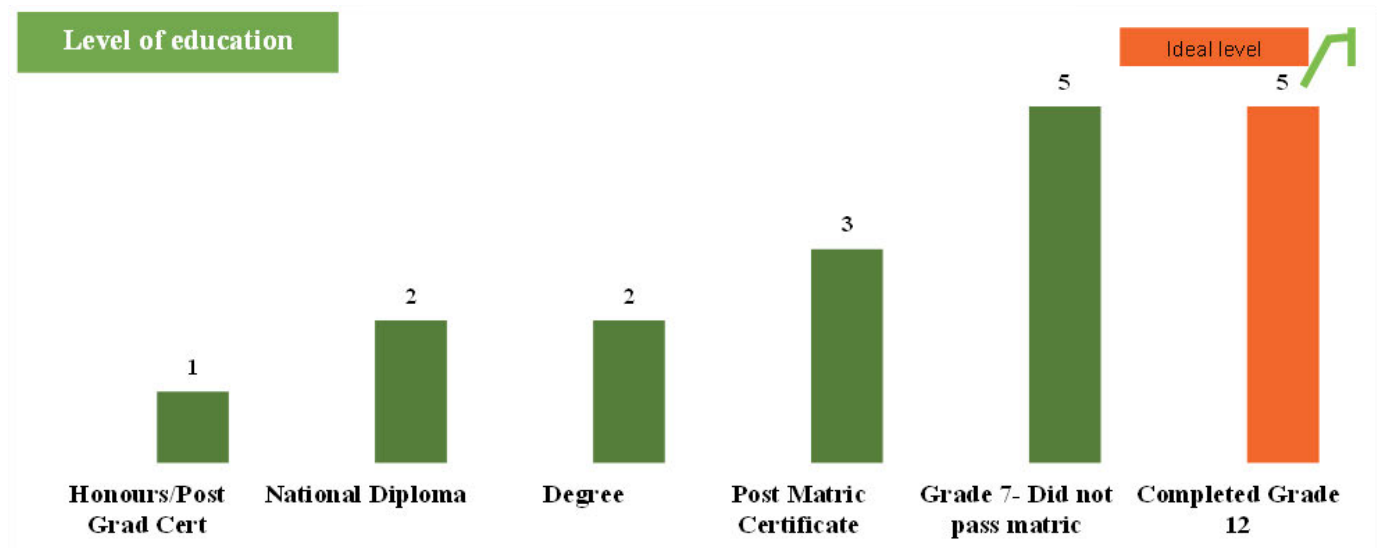
The **Figure 7** above illustrates the gender representation was lopsided as there was a wide gap between male and female participants in terms of their number. Thirty three percent of the participants identified themselves as females, while 67% indicated they were males. KwaNdaya and Port Dunford are traditional communities, therefore, gender in such communities cannot be specified as ‘other’ because of this, the consent forms did not have this field.

Furthermore, **Figure 8** below illustrates the age groups of the 18 study participants who took part in the study. Young people are a major human resource for development, often acting as key agents for social change, economic expansion and innovation (NYP, 2020 report). In Chapter One, it was highlighted that the study would focus on the youth. The motivation behind this emphasis was that, the youth is the future of KwaNdaya and Port Dunford and they will inherit the benefits or consequences of the decisions made in the present. Marginalising the youth would have meant no justice in data collected.

Figure 8: Age groups of the participants



Source: Fieldwork 2017.



Source: Fieldwork 2017.

Over the years, I have observed that there are numerous barriers that hinder people from KwaNdaya and Port Dunford to attain education as their social right. These barriers will be discussed further in **Section 5.3.6**

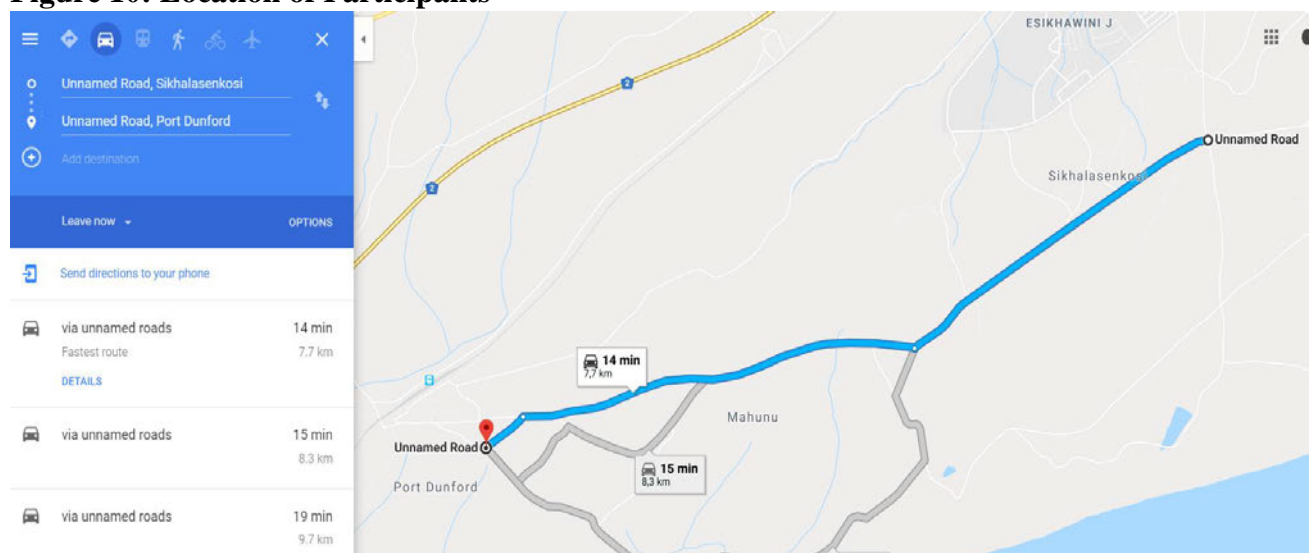
5.2.5. Education and Skills development.

Only five of the participants had Matric level of education as their qualification. This was the ideal level of education because most entry level jobs in South Africa require an individual to

possess Matric certificate. Five of the participants did not have Matric, while five of the participants did have a Matric certificate. Eight of the participants had a National Diploma and above.

There was no further distinctive on whether the types of qualifications were suitable for jobs in Rio Tinto as it specialises on engineering which is related to Mathematics and Physical Science subjects. The FDG revealed that none of the participants knew of a person in the community who had benefited from the education fund that supposedly exist for KwaNdaya and Port Dunford communities.

Figure 10: Location of Participants



Source: Google Maps, March 2018.

In Chapter Four, Section 4.3. map showing the location of the study was presented. **Figure 10** above illustrates the location where the participants reside and the travel time it takes to drive from Ezimele (Unnamed road, Sikhalassenkosi) to Unnamed road (Port Dunford). The importance of this map is to highlight the two entry points to the communities and marks the area that was observed during the study period. Unfortunately, the map does not show in detail the gravel off roads from the tar road as this is a rural area. Furthermore, while these communities have different

names, they are serviced equally by the same municipality. There is nothing that affects KwaNdaya that does not affect Port Dunford.

Table 2: List of Key Informant Interviewees who participated in the study

Position	Gender	Secured and conducted
Traditional Authority Representative	Male	✓
Councilor of uMhlathuze Esikhawini Ward 22	Male	✗
Project Manager of ZSMLA project (Rio Tinto)	Male	✗
Community Liaison Officer (Rio Tinto)	Male	✓
uMhlathuze Youth Representative	Male	✓
Youth Chairperson of KwaNdaya	Male	✓

Table 2 above shows that from the KIIs identified, four KIIs successfully contributed to the study. It also shows which KIIs were not successfully secured to discuss the research questions in order to fulfil the study objectives. In light of the two KIIs that were not conducted the reasons are detailed below:

- I contacted **Rio Tinto** multiple times for the gate keeper's letter which requested access to the mining lease agreement and to interview the Project Manager for the ZSMLA mining project. The head of the legal department advised that while the request navigates through proper channels to land on the right hands, I should go ahead with the study but I would not get the legal documents requested. This was relayed to the community Liaison Officer who was new into his position at the time (4 months), but gladly took part in the study. At

the absence of the gate keepers' letter I was barred to access the Project Manager as Rio Tinto was responsible for identifying that individual.

- I called Mr. Ncanana called three times to schedule the interview and he confirmed a date which he later asked to reschedule at the last minute. Unfortunately, this was impossible for me because of the professional commitment that migrated me to Johannesburg.

Gender representation was one of the limitations the study encountered. Already noted above in relation to **Figure 7**, this problem persisted even on the FGD. In the FGD, there was only one female and eight participants were males. The root of the problem with gender equality and representation is discussed further in **Section 5.2.4. Youth and women empowerment** below. The FGD composition was 50% of the total sample. The traditional setting of KwaNdaya and Port Dunford in terms of race and language is Black Africans and Zulu native speakers. There was no language barriers as I am also a native Zulu speaker.

DEMOGRAPHIC SUMMARY

The demographic representation of the sample speaks volumes about KwaNdaya and Port Dunford. It touches on one of the critical issues that haunt development; the issue of gender discrimination. According to Pearson (2000), gender issues have been seen as a feminist diversion from real issues of poverty and modernization which preoccupied development planning. It took some time for policy makers to recognise that women were the largest part of the new labour market and needed to be catered for as a special case. In the case of KwaNdaya and Port Dunford, women are still marginalised even though they play a vital role as the backbone of the communities.

5.3. THEMES

This research study sought to understand if there is alignment between the CRS of Rio Tinto to achieve socio-economic indicators in the new host communities for the mining MNC. The table below indicates the questions covered during data collection and which questions were asked from different study participants. The themes were adopted from the theoretical framework and linked to the objectives of the study to shape the analysis of all data collected.

Table 3: Analysis Framework

Objective	Themes	Research Questions	Probes	Document review	KIIs: Traditional council and Rio Tinto representative	KIIs: Youth Chairpersons and uMhlatuze youth chairperson	FGDS	Site Observations
To assess the Corporate Social Responsibility plan of Rio Tinto on how it aims to reduce poverty in KwaNdaya and Port Dunford.	Knowledge test	When was the first time you had about Zulti South Mineral Lease Area (ZSMLA) mining project?	When was the first time you had that Richards Bay Minerals (RBM) was going to build a mine around the community?	X	X	X	X	
	Knowledge test	From that time to the present, what has been the progress regarding the ZSMLA mining project?	Has this change brought physical environmental changes in the community	X	X	X	X	X
	Rural Economic Development	What physical changes has the mining project brought to the community?	Do you foresee this change lasting long to benefit the community?		X	X	X	X
	Rural Economic Development	What contribution does Rio Tinto plan to invest in KwaNdaya and Port Dunford communities?			X			
To examine the extent to which the Corporate Social Responsibility plan of Rio Tinto is aligned to the Integrated Development Plan	CSR/CSI	What do you understand about the Corporate Social Responsibility Plan of Rio Tinto for KwaNdaya and Port Dunford?	What was the community promised in return of giving RBM the land to mine?	X	X	X	X	
	Community participation in decision-making	What would you say is the most important thing this community needs?	Do you feel Rio Tinto (RBM) is meeting the needs of the community	X	X	X	X	
	Poverty alleviation	How does the Corporate Social Responsibility plan of Rio Tinto aim to reduce poverty in KwaNdaya and Port Dunford?		X	X			

Objective	Themes	Research Questions	Probes	Document review	KIIs: Traditional council and Rio Tinto representative	KIIs: Youth Chairpersons and uMhlathuze youth chairperson	FGDS	Site Observations
	Integrated development plan	To what extent is the Corporate Social Responsibility plan of Rio Tinto aligned to the Integrated Development Plan of uMhlathuze Municipality?	Is there a relationship between uMhlathuze Municipality and Rio Tinto to facilitate development in KwaNdaya and Port Dunford?	X	X	X		
	Community participation in decision-making	Which approach is being used to encourage community participation in planning and decision-making phase?	Do you feel community members appreciate the possible change RBM could bring?		X	X		
To investigate the ZSMLA mining committee's transparency and accountability to the communities of KwaNdaya and Port Dunford	Accountability	How many members are in the ZSMLA mining project committee?		X	X	X		
	Transparency	Is there representation of all members in the community i.e. youth, women, elderly, graduates, small scale farmers etc.?			X	X		
	Youth and women empowerment	What role do young people and women play in the planning committee?			X	X		
	Accountability	Who makes decisions about development plans and projects in the community?	How do you feel about this process of decision-making?		X	X		
	Youth and women empowerment	Do women and the youth have an equal voice in decision-making about community development projects?	Why do you feel this way about the contribution of women and youth in discussions about development projects?		X	X	X	

Objective	Themes	Research Questions	Probes	Document review	KIIs: Traditional council and Rio Tinto representative	KIIs: Youth Chairpersons and uMhlatuze youth chairperson	FGDS	Site Observations
	Transparency	How often does the committee brief community members about ZSMLA progress?	What is the general feeling about the RBM mine in the community currently?		X	X	X	
	Transparency	How transparent do you feel the ZSMLA community committee is transparent and accountable to community members?			X	X	X	
To assess the potential of knowledge sharing while eliminating educational levels as a barrier to community development.	Education/Skills development	What challenges have been posed by low educational levels among community members?		X	X	X	X	
	Education/Skills development	What are the plans to increase educational levels among community members?	Do you feel Rio Tinto is in a position to help with increasing educational levels in the community?	X	X	X	X	
	Education/Skills development	What outcome do you feel increased educational levels would have in community participation?		X	X	X	X	
	Education/Skills development	What skills are most critical for the youth to possess in order to meet the requirements of working on the ZSMLA mining project?	Which trainings have been conducted to prepare the youth for job opportunities within the mining project?		X	X	X	
	Transparency	Does Rio Tinto plan to recruit the ZSMLA labour in KwaNdaya and Port Dunford?	Do you feel there is enough social capital among community members to work in the ZSMLA mining project?		X	X	X	

5.3.1. Knowledge about the ZSMLA mining project agreement and social benefits

The initial document consulted for the study was the SRK report no. 439550, accessed on the 18th of February 2016. I also reviewed four other secondary documents as part of data collection in November 2017, namely;

- 20130606_RBM_Sustainable_Development_Report_En
- 2014_RBM_Sustainable_Development_Report_En
- 2015_RBM_Sustainable_Development_Report_En
- Updated 2017/2018 IDP of uMhlathuze

The documents confirmed the feasibility study of ZSMLA commenced in 2010 and was finished in 2013. This is when the majority of the participants recalled seeing the RBM fleet going up and down in the communities but they have no understanding what happened before that. The documents mention nothing about when the KwaNdaya and Port Dunford ZSMLA mining agreement was signed. The information concerning the date, time and place was to be provided by the agreement itself. In its absence, I had to bury myself in loads of desktop research to get closer to the truth.

In the focus group discussion, participants were asked when they initially heard about ZSMLA mining project. 76% of the participants who participated believed the agreement was signed between 2008 to 2010. There were two people who said they did not have an idea. It was the Traditional Authority representative (Induna) and uMhlathuze youth coordinator who confirmed initial talks began in 2004. However, it was mentioned that the agreement signed in 2004 was a formality. The TA representative said:

“My child this thing is old, it started before you were even born”

KII: Traditional Authority Representative

This statement was a discouragement, at the end of the day it meant more digging and to find the real truth about what he meant. After digging for a few months, I discovered that the respondent was correct. The picture in **Figure 10** below was taken from a UKZN Alumni’s study. Even though the study was not related to CSR, it provided good evidence about when the idea of ZSMLA idea was formulated.

Figure 11: The truth behind the unknown

Richards Bay Minerals have registered mining rights in the remainder of Reserve No. 10 No. 15830, Kraal Hill No. 1 and Kraal Hill No. 2 No. 10964, in the Umfolozi district, situated in the Administrative district of KwaZulu-Natal, South Africa. This land has been colloquially named by RBM as Zulti South (Figure 3.1). The land upon which the Zulti South mineral lease lies is state owned and is presently administered by the Ngonyame trust, which comprises of the tribal authorities of Mkhwanazi and Dube, (see Figure 3.2), the current chief is nKosi Dube (Environmental Management Programme Zulti South mineral lease, 1998).

RBM obtained mining rights to the Zulti South lease in May 1985 from the Department of Mining and Energy Affairs. In compliance with the changes in the statutory requirements of the Minerals Act, 1991 (Act 50 of 1991), RBM submitted an Environmental Management Programme to obtain a mining licence for the lease area. This was granted on the 31 of October 1995 and was renewed on the 20 of January 1999 (King, M. pers. comm. 2001).

Source: Oellermann, 2001

5.3.2. Corporate Social Responsibility

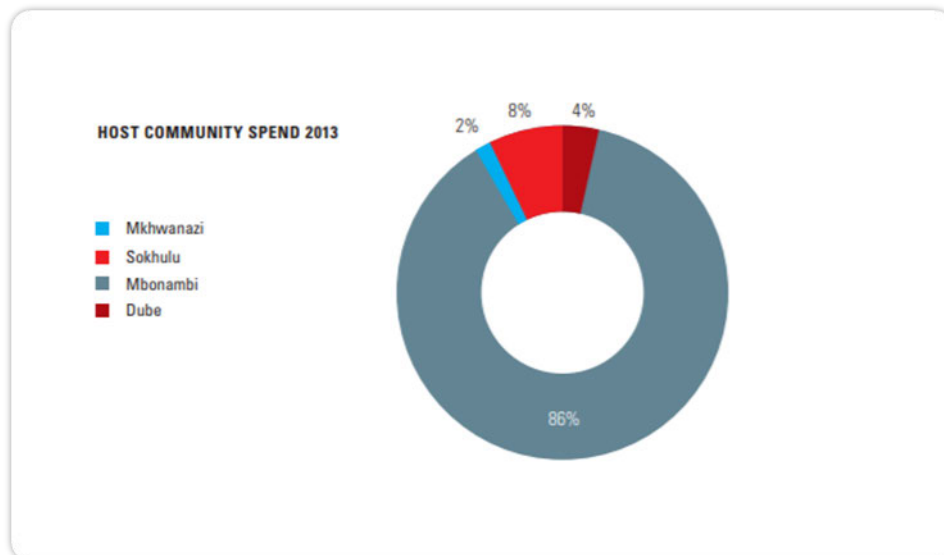
Given the absence of recent updated documents and no gatekeeper's letter from Rio Tinto granting access to the documents in relation to the initial agreement, secondary documents reviewed provided outdated information about social benefits for the new host communities, KwaNdaya and Port Dunford. It remains unclear what exactly the community members are expecting even though hopes are there among them. Information on CSR in reference to the three host communities, Mbonambi, Sokhulu and Nhlabane is readily available. However, information regarding the KwaMkhwanazi area could not be triangulated with information collected during fieldwork.

As operations have expanded to new host communities, KwaNdaya and Port Dunford, it is said that Rio Tinto's CSI and infrastructure development value increased from R13 million in 2006 to an estimated R17.5 million in 2008. However, there was no published recent figures for CSR expenditure for the recent years. Many companies now put in a lot of data regarding how they give back to the society (Veluz, 2014). Also, companies have warmed up to the practice of social responsibility and recognition of communities and its members as parts of their stakeholders in a peaceful process and effective management of communal issues in such a way that it does not impact negatively on business operations. Veluz (2014) explains that a company's commitment to Corporate Social Responsibility is reflected in its commitment to Triple Bottom Line (TBL) reporting which includes social and environmental consciousness as well as economic profitability. **Figure 12** below is sourced from the Rio Tinto/RBM 2014 Sustainable development report and shows that KwaMkhwanazi host community was allocated 2% of the CSR spend.

uMhlathuze is the regional representative of the government. The government holds the key to enforce meaningful Corporate Social Responsibility. There is lot of work to be done and less

funds available, CSR if done right can be an actionable plan to fund human development and achieve economic development for the vulnerable host communities.

Figure 12: CSR per RBM/Rio Tinto host community in 2013



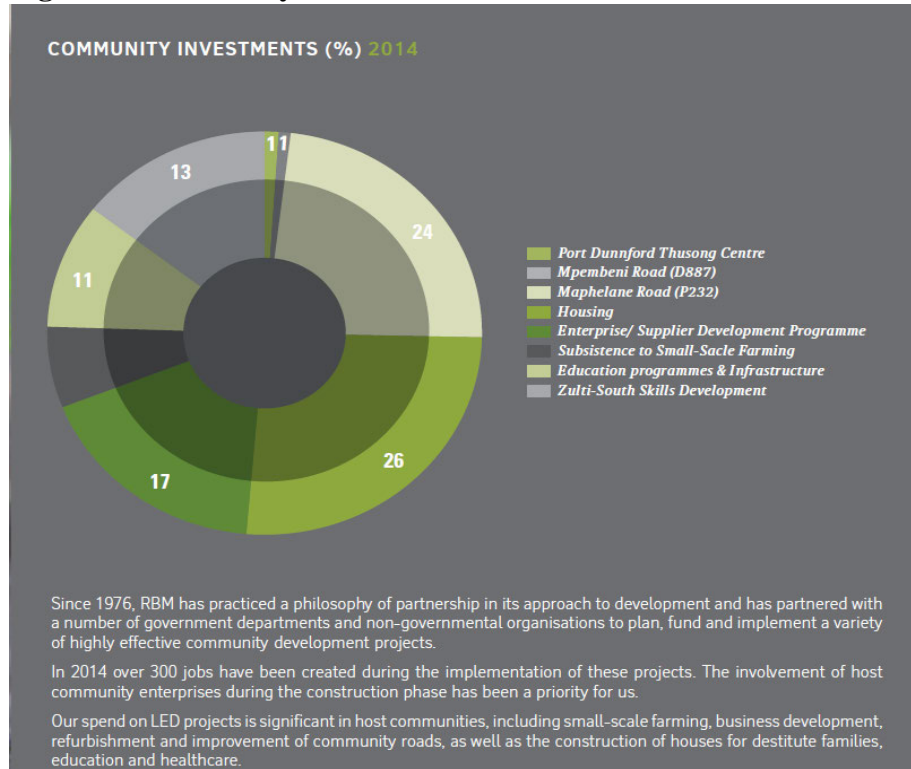
Source: RBM sustainable development report, 2013.

From the picture, it is seen that the KwaMbonambi area was the major recipient of CSR spend in 2014. For CSR to have an impact, it cannot be a once-off investment. The 2014 report did not make a follow up on this or state whether the social investment shifted to be evenly distributed towards other host communities. These figures are therefore outdated and limit knowledge of how much Rio Tinto has invested or is investing towards CSR in KwaNdaya and Port Dunford.

Looking further into what the funds were spent on, the 2015 report highlighted how 2014 CSR was spent towards developing KwaNdaya and Port Dunford. The picture below does touch on the road as an infrastructural issue and skills development, these were some of the two major issues that came up during community engagement with the community according to the SRK Consulting (SA) public document (2012). However, with no proper acknowledgement of how

much was set aside for this, it was another dead end. Therefore, this created a limitation and made it impossible to ask during KIIs or in the FGD if there was a need to spend the investment differently by reallocating funds to the most important projects that could have benefited the whole community better and what those projects could have been.

Figure 13: KwaNdaya and Port Dunford CSR distribution in 2014



Source: RBM sustainable development report, 2014.

With a close look in the picture it does state that RBM came to the KZN North Coast shores in 1976 and it claims it has used the partnership approach. This approach is questionable and can be argued to not be true based on the findings of this study and evidence presented by current situation in some of the previous host communities i.e Nhlabane and Sokhulu reserves.

Figure 14: The Thusong Center as a social benefit



Source: Fieldwork 2017

Thusong Centers are instrumental in achieving development in rural areas, provided they are well resources, managed and most importantly, functional.

Figure 14: Services of the Port Dunford Thusong Centre



Source: Fieldwork 2017

The Port Dunford Thusong Center does not provide any useful or relevant information to job seekers as advertised. There are no computers or internet services to allow young people or local entrepreneurs to come in and scout for jobs and local tenders. It is a white elephant scenario. There is a spacious room that is meant to be a library but there are no books. What was puzzling is that there is good security for the facility even though the quality of the service inside is bad and the infrastructure is deteriorating.

During the FGD and KIIs, participants were asked about their initial thoughts and understanding about the benefits of hosting a multimillion mining project. This question was asked to understand if they believed Rio Tinto needed to invest in the community and if they did, what was the contributions to date and what still needed to be invested.

“RBM is not doing anything valuable for our community, we have schools that are not up to standard, they can’t even donate paint. They promised us a road, they did a quick fix road with no humps and our kids are dying because of speeding drunken drivers”

FGD Participant

“RBM promised us jobs, but to this date all they do is take people from other areas and train them, next thing they will say we are violent when we shut that mine down”

FGD Participant

When asked to reflect on the Thusong Center and what they find useful about it. It was mentioned that it is used for community meetings and there is a creche onsite that they felt was helpful for community members, especially young mothers who wish to go back to school. When asked if it helped that the Thusong Center was next to the clinic the response was as follows:

“If there was internet, copying and printing service, it would make sense. People could use it after they are finished in the clinic. It is one of the things that they are trying to use to fool us. Even the Stadium next to it, it is falling apart because there is no good use for it. We still have

to spend money and go for job related services into eSikhawini because you can't even make copies or print anywhere around here".

FGD Participant

It was evident during the FGD that there is a lot of anger towards the ZSMLA mining project, what was also evident is the acknowledgement of the power among community members against the mining project. One of the problems facing large corporates is misdiagnosing where the power lies within the community. While Traditional Authorities are the administrators of the land, they have interest in, community members when united have the keys and hold the license to operate. In this case it is the youth that holds that license and until their needs are met, the ZSMLA mining project continues to be in jeopardy.

"They should stop limiting us by thinking we do not know anything. We do not only want jobs. We want a reasonable share of the profit from the mine. We want hotels and lodges by the beach, our beaches used to be busy in December, we want that so we do not have to worry about going to Richards Bay (Alkantstrand Beach) all the time. We want to be able to buy shares through Blue Horizon because we know there is such opportunities for people who are not even part of the community."

FGD Participant

During KIIs, I asked the Traditional Authority's representative what has RBM done for KwaNdaya and Port Dunford since 2004? The answer was vague and he mentioned no tangible social benefits. The TA representative mentioned a community bursary fund that caters for top students in Maths and Science to further their studies. He also mentioned the road P357 as depicted on **Figure 15** below.

Figure 15: Partnership of the construction and maintenance of the community road



Source: Fieldwork 2017

This road was not complete at the time of the fieldwork and therefore came up in the FGD and interviews. The road had no speed humps since its construction in 2016 up to June 2017 which led to two fatal accidents of pupils who were attending one of the local schools. I probed numerous times to confirm the validity of the secondary documents about how much the road construction cost. The representative's final words were not convincing to dismiss speculations raised in the FGD and noted in **Figure 18**. This confirms Transparency and Accountability was an issue to be included in this study and a plan of action on how to achieve this milestone is key to the development of KwaNdaya and Port Dunford.

5.3.3. Accumulation by Dispossession

Land is a sensitive topic in South Africa currently and the pervasive challenges around access to land rights for mining activities haunts development. When land is leased to corporations, it makes

it hard for local government to have a proper IDP because there are no guarantees on whether CSR promises will materialise. KwaNdaya and Port Dunford does get some services from uMhlathuze Municipality, but there are gaps in knowledge and understanding about who is responsible for what.

“It is a very stressful situation for me as a young person representing the Municipality when I have to sit with the youth of our community and discuss we have no power on who gets hired as part of the road construction. The people are told to drop of their C.Vs at eNduneni, they come back and ask me “what is happening”? They see people working and they have not been called start work. We don’t know how much they get paid and who decides who gets the jobs. This RBM thing is beyond us and we do not know how to intervene.”

KII Participant

Nineteen years passed before RBM made any moves on the land they dispossessed. Currently, RBM is operating under a new name and new management, a subsidiary of Rio Tinto, a lot of their marketing resources has been rebranded to mirror this change. With the new Constitutional Law giving mining communities extended rights, the burning question is if the land is rightfully theirs as they have the title deed confirming ownership? If the answer to that question is yes, how much was paid for the land and who pocketed the money?

After finding this I felt like I had entered into a gun fight with a knife. This is what undermines the intelligence of South African rural people and erupts disorder. Lack of knowledge facing the current generation not only discourages young people to continue the fight. There is a need to pass on knowledge and information as one of the most valuable inheritance to the next generation. We cannot afford to fight the war over land not knowing the truth and get slapped with unimaginable truth that demoralises the spirit to continue the good fight. One of the articles found in the *Mining Weekly* published on the 2nd of December 2011 touched on vital points relating to the study and reads as thus: “In 1971 that the Industrial Development Corporation began a detailed

investigation of the Richards Bay area. A Canadian producer of titanium slag was also independently looking for major ilmenite deposits in 1974. These two organisations, together with Union Corporation (later Gencor, and now known as BHP Billiton), formed RBM in 1976 to mine and beneficiate the vast mineral rich sands in the coastal dunes, that extend 17 km in a two-km-wide strip from just North of Richards Bay. In 1985 the company acquired the mining rights to additional ore reserves both North and South of the original deposit”.

5.3.4. Triple Bottom Line Reporting

In the private sector, a commitment to Corporate Social Responsibility (CSR) implies a commitment to some form of Triple Bottom Line reporting which encompasses environmental responsibility, social awareness and economic profitability. For their case study Cairncross *et al* (2013) gave a few recommendations that in my view are not only helpful for the wider extractive industry but also speaks to the social beneficiation of the South African community because no one knows where the next mine will pop up as they keep mushrooming all over the country. There are many recommendations but in alignment to this study, they were spot on with the following three:

- The extractive industry should be compelled to comply with national and international regulations regarding standards to *prevent* the exposure of workers, communities and the environment to toxic and hazardous conditions. The overall focus should be much more on *prevention*.
- The mines should pay into an Independent Fund on which local communities are fully represented to ensure the fund is used for jobs and to redress the major impacts of mining. The Truth and Reconciliation Commission referred to this as the need for a wealth tax.

- Government Departments to administer the compensation system in a much more efficient and effective manner as a basic service towards greater social justice and to help redress the gross inequalities of the past.

According to the uMhlatuze IDP, a budget of nine million has been set aside for displacements and relocations to accommodate the ZSMLA mining project. The IDP states that a “number of household’s assets are located within the proposed mining area and due to mining activities may face economic or physical displacement. As a result, RBM has appointed a service provider to prepare a Resettlement Action Plan (RAP) that aims to guide an internationally compliant resettlement process”. Again, the limitation to prove this was not being able to triangulate the data against these claims. The resettlement process was highlighted lightly in the FGD. The young people could not speak to this in full detail as they are not household heads in their families. To be a beneficiary of the process, families had to point where their ancestral graves were located within the mining zone.

Accompanying these claims is a statement made by **Mpho Mothoa**, the Managing Director of RBM and Rio Tinto Country Head for South Africa which reads as follows:

“Our commitment is beyond mining; we would like to leave this area better than the way we found it. We believe that if we are to make a meaningful contribution to the lives of families living in our host communities. We did not just give help as we thought fit but consulted with the community who decided what the priorities were. We are now members of the community for mutual benefit”.

2015_Sustainable development report

Based on the absence of social benefits and ongoing community unrests, the statement sounds like a mockery. There is no evidence in South African history where a mine left the communities better off than when mining first started. In his article relating to the Xolobeni community published on the 26th of April 2019 Matome Kapa wrote: “There is a mine in my

area. You might think that my village is well off because of it and that we have high employment levels, thriving businesses, good roads, schools and clinics. The reality is different. Having a mine as a neighbour often means runoff from mining operations are poisoning streams and rivers, which jeopardises people's health. It means breathing in fine dust that causes respiratory illnesses and premature death. It means having to deal with mine blasts whose strong vibrations crack walls and damage windows and furniture. It means giving up fertile grazing land and fields essential to people's livelihoods to make way for mining. People in mining-affected communities have to put up with all of this, yet seldom do they get the job they were promised. When they try to raise their voice about these problems they are threatened, intimidated and silenced". Similar cases were reported for the case study on extractive industries prepared for the Lancet Commission on Global Governance in 2013 by (Cairncross *et al*, 2013) and (Capps and Mnwana, 2015). All this contradicts Mpho Mathoba's sentiments.

In the FGD, the youth highlighted that their understanding of development is aligned to social investment in the community infrastructure i.e. roads, local school upgrades and jobs for local people. One participant mentioned that sitting in the Community Leadership Council has opened his eyes to what most people will never understand. Stating that:

"My sister, RBM has money. So much money that anything we could ask for, they would give it to us, as long as we do not disturb them while they operate in their mine. Even your report, if it causes problems for them, they will throw it in the bin and shut you up with so much money you will forget everything we have discussed here today"

FGD Participant

This statement shed some light about the knowledge young people have. They may not know how to identify what they want and how to go about placing their demands for social development but they know they hold the license to operate. Overall, seven of the FGD participants were not

convinced Rio Tinto is doing enough to uplift the communities of KwaNdaya and Port Dunford. Two of the FGD participants reside in Port Dunford *ezitolo*. They noted a few things that RBM has done in the area and believed this was good. Things noted were the **Figure 16** below, Umkhontokayise Clinic, Thusong Center and an upgrade of a local school's science labs.

Figure 16: Umkhontokayise Clinic



Source: Fieldwork 2017

When you look up uMkhontokayise clinic On the internet, you find the following statement. Which is good at addressing some of the problems faced in the host communities. To the contrary, they also noted the problem with Umkhontokayise is that it operates form 07h00 to 16h00. This means there is no help received from the clinic outside of operating hours. Community members have to be rushed to Phaphamani clinic for emergencies even at midnight.

“Thanks to the progressive Private-Public-Partnership by Richards Bay Minerals (RBM), HOPE and KwaZulu-Natal Department of Health, to combat health challenges facing the community of uMhlathuze Municipality. With the community facing challenges of malnutrition, Tuberculosis, HIV and AIDS, and other ailments every day, RBM in partnership with Department of Health have built 6 clinics (5 currently operating). These health facilities are aimed at addressing basic health needs of the communities. KZN MEC for Health, Dr. Sibongiseni Dhlomo, together with RBM representatives will be visiting 5 clinics operating under this partnership on the 3rd

5.3.4. Community Participation

The right to information in order to participate in decision-making is founded in communication. It is my personal belief that without communication there is no relational intelligence and relationships fail. KwaNdaya and Port Dunford are in a very delicate relationship with Rio Tinto, a relationship that shapes the future of two communities who need to break the chains of poverty. During the FGD, I found that most community members are mere objects and not subjects of development in KwaNdaya and Port Dunford. There was an undisputed agreement about the fact that community members are not consulted about anything concerning any changes that might happen in the community. All FGD participants agreed that *“things just happen”*. This means there has been no needs assessment which allowed community members to identify what they needed from Rio Tinto.

During the KIIs with the Youth Representative from uMhlathuze and Youth Chairperson from KwaNdaya, the same question was asked. They both highlighted that more can be done to include members of the community in decision-making. They noted the youth in particular and stated they may have different views from the leading adults in the community. Aligned to Fraser’s view around parity of participation, the youth in KwaNdaya and Port Dunford have identified there is something wrong in the community structure that excludes them, disqualifying them to participate in negotiations about their own future. Fraser (2000) emphasises the importance of substantive conditions for people to participate in their own development as equals. This is what the youth highlighted. There is not guarantee they will eventually be given a seat on the table to speak up, the social layers are emotionally daunting for young people to go through before they get to Rio Tinto.

The lack of community participation in decision-making discussed with the younger generation was dismissed by Induna and the Community Liaison Officer. They believed the community to be well informed about all development that affects them or that is meant to change their livelihoods. They mentioned the displacement process of the families located in the mining zone and of graves. The process was highlighted as a success and to have included all beneficiaries from the beginning up to the end.

What was noted during the analysis was the lack of interest from people who were educated (holding a post Matric qualification) around the same question. This seemed to not move them and the common finding mirroring that lack of interest was stated in one of the Interview guides as:

“Induna and his council members do as they please, what they say goes and it a council of old men with power, the youth have no one on their side”.

Interview guides

(Okoji 2013) concluded his recommendations by stating that “for the community development programmes initiated by corporations to be successful, the host communities must be involved in the identification, planning, implementation and evaluation of the projects”. His study examined the socio-economic empowerment of rural women as a correlate of community development programmes of multinational oil corporations in Niger Delta, Nigeria. Underlying Fraser’s concept of participatory parity is the idea of the equal moral worth of citizens which in the case of my study calls for communities to be regarded “full partners in interaction” (Fraser, 2003) in their own development. Participatory parity considers sustainable development in light of history, the present and importantly, the future. It engages with critical questions of “Is this the best decision? Will the future generations be better or bitter because of this decision?”. The concept underscores the importance of democratic justice, in political, economic and social spheres. In my

case study, that means corporations need to attend to the interests and welfare of all participants in development including its non-shareholder stakeholders Harrison *et al* (2010). I argue this should not be tokenism to make host communities happy but rather it should focus on what Fraser calls democratic justice which focuses on the elimination of systemic economic inequalities.

5.3.5. Youth and Women Empowerment

From the initial visit to the KwaNdaya Community Council under the Traditional leadership of Induna to seek permission to conduct the study on the 23rd of April 2017, I observed lack of representation of women in the council. From a group of 22 men in the room, there were only three women, and while their age could not be confirmed, they did not look young. What I also observed on the day was the age gap between the council members and the conflict between the young and old members of the council. On that the day, I met the Youth Chairperson of KwaNdaya who later approached me with interest to take part in the study and became instrumental in the achievement of the objectives of the study.

Figure 17: The issue with gender roles within the communities

6.14.10 Gender Roles, Leadership Roles and Decision Making in the Community

Based on the findings of the community survey, it is evident that there are more females than males within the study area. This is largely attributed to the fact that men of working age leave the study area in search of employment opportunities elsewhere. This trend results in there being many female-headed households in the study area. Females that head households, thus, play a key role in maintaining the resident family, rearing children, attending to vegetable gardens, and generally maintaining the families' direct well-being. (However, it was noted during the community survey that many of the households enumerated were represented by the head of the households, who were in the majority, males). Traditionally, males in the Zulu culture are the head of the households. Based on the male to female ratio of attendees during the focus group meetings with community leadership groups, it was evident that these groups are predominantly male dominated, indicating that males have a stronger role in making community related decisions.

Source: SRK Consulting (SA) public document (2012)

During the FGD, I asked the question “*what role do women and youth play in deciding on development projects in the community?*” there was a unanimous answer that was accompanied by laughter and long silence:

“You have to be joking my sister, none”

FGD Participant (s)

There was silence after that. An issue also came up that the elders in “Umkhandlu weNduna” do not regard youth and their presence important in the Sunday meetings. When I asked for the reason for this attitude towards the youth, participants kept quiet up until one broke the silence and said:

“They think we cannot see what they are doing. We see it and we know how to put a stop to all this nonsense. They should keep on pushing us and we will see where they will get money for all these big cars the day we get RBM out of that mine”

FGD Participant

5.3.6. Education and Skills Development

Education is one of the major problems facing the communities of KwaNdaya and Port Dunford. The stats from the latest SA census confirms that in the whole community only 5% of 22 571 people have a Matric qualification. Most of the school age going individuals drop out before Grade 12. This has been an ongoing trend in both communities for a number of years, fewer people finish Matric and get the opportunity to study further. One of the problems raised over the years and in the FGD is the distance one has to endure to attain education. This translates to low skills set within the community and therefore the ability to think strategically about issues concerning development even when presented with such chances. Community leaders themselves make wrong decisions and unjustifiable decisions in managing funds meant to emancipate the community in terms of skills development. Florou and Gouscos (2011:44) and Mitchell and

Sackney (2011:72) confirm that the purpose of education is to develop the capacity of individuals and groups which lead to ensure an improved quality of life by negotiating for better social benefits. They argue that it places power in the hands of the people and serves as an inclusion factor for the people who are often poor to be somewhat included in state of the affairs going on around them. Therefore, education does not only facilitate inclusive community participation but further promotes a sense of togetherness, ownership and control.

I argue that lack of education also plays a role in primitive accumulation, since (Harvey, 2007) states that primitive accumulation takes place when the North interacts with the South opening a gap for ABD to take advantage. Between the North and the South one party is always going to be smarter and well educated than the other, giving them an upper hand to exploit the other through unfair terms of trade. One of the secondary data sources consulted stated that:

“Rio Tinto continuously strives to build constructive and mutually beneficial relationships with the four host communities”. It is said that in 2009, each of RBM’s four host communities received a R17.5 million donations to establish these trusts. Since their establishment, approximately R1.5 million a year has been spent in supporting the functioning of these trusts and strengthening their governance structures. Since its inception, the Mkhwanazi Trust has awarded 84 students bursaries to pursue studies at universities of their choice across the country. Twenty-nine students were awarded bursaries in March this year”

2013_Sustainable development report

The community trust fund is questionable because of the conflicts around transparency on how these funds are spent to benefit and develop the community. During the focus group discussion, participants were asked if they knew anyone who is funded by the Trust for their tertiary education, all participants said there was no one they knew. I asked the same question during the KII with Induna to get a few names to validate this information, the answer was the request is unethical which confused me and led to the question *“what is the qualifying criteria to get the*

bursary”? Which he proudly answered and said “*Mathematics and Science*”. My problem around this criterion is that it perpetuates inequality within rural communities. For an example, I am not good at Mathematics or Science but that has not stopped me to pursue a career I am most suitable for. On the same note, why has Rio Tinto not invested in upgrading local schools’ laboratories to equip pupils with relevant knowledge to do well in their Matric exams so that they can apply for these bursaries?

Overall, no names of the students from KwaNdaya or Port Dunford attending any South African university being funded by the KwaMkhwanazi Trust Fund were given. It is important to note that KwaMkhwanazi area goes as far as KwaDlangezwa where the Traditional Court is based. It is therefore easy for people in KwaDlangezwa to lodge complaints and submit their Curriculum Vitae directly to the council in case of job opportunities in Rio Tinto. This has resulted in a number of people within KwaDlangezwa getting jobs in Rio Tinto compared to people in KwaNdaya and Port Dunford. However, the mineral deposits are at KwaNdaya and Port Dunford and that is where community strikes have taken place more than twice.

5.3.7. Transparency and Accountability

Lack of transparency has caused a number of conflicts within the communities. There is an ongoing tension about mismanagement of community trust funds. According to Cairncross *et al* (2013), mining thrives on cheap labour as it often does not employ local community members. In most mining community’s unemployment is rife. This statement below confirms everything said about transparency in the FGD.

Figure 18: The public conflicts and accusations

PANDEMONIUM ruled KwaNdaya Reserve outside eSikhaleni on Monday morning when angry residents took their grievances against the local traditional leadership to the streets. Chaos reigned when residents burned tyres and toppled municipal skips to barricade roads, followed by flying rubber bullets and teargas fired by the police to disperse the angry crowd. With community members starting fires and blocking roads all over the area, the tense situation became a cat and mouse game between residents and police. According to residents, the protest action was apparently in connection to the R17.5-million donated by Richards Bay Minerals (RBM) to the community in 2010. During their demonstrations, not only did residents demand answers concerning to the expenditure of the funds but fingers were pointed at local Induna, Silias Cele. 'Our leadership never informs us about any developments in the area or what happened to the money. They do as they please and when we ask about it, no one answers,' said resident Njabulo Gumede. 'This is only beneficial to their people while the poor are being neglected,' he said.

Source: Zululand Observer, January 2018.

Induna's response to all these accusations, documented on a local newspaper was:

Figure 19: The response to the public accusations

KwaNdaya community leadership response

According to KwaNdaya Reserve leader Induna Silias Cele, some funds have been allocated to community events and a bursary scheme.

'People who come to our community meeting know what is happening. Those involved in this protest are making this a political issue and have personal agendas.

'We have always been transparent about money for the community and always inform our people about plans for it. They know about the KwaMkhwanazi Bursary Fund and other projects,' he said.

Regarding the mining job opportunities, Cele said the tribal authority has received hundreds of CVs following a public meeting where residents were informed about work opportunities.

'The mine has not yet been built, that's why the tribal leadership opened a bursary fund to ensure our people have skills,' said Cele

Source: Zululand Observer, January 2018.

The problem with his statement is the contradiction of evidence found in Rio Tinto's Sustainable reports that states the mine has been built. The social arrangements that institutionalize deprivation, exploitation, and gross disparities in wealth and income as identified by Fraser (2000) are real in KwaNdaya and Port Dunford. People are denied an opportunity to interact with others as peers. During this research I was labelled as a "child" wanting to know more than I should. People in KwaNdaya and Port Dunford experience hurdles and barriers of even being allowed to talk about the ZSMLA as a mining project that will free them from poverty if it ever does yield positive results. Anyone who questions what the benefits of hosting the mining project are is said to be disrespecting the Chief and iNduna. To get a meeting with either one of these people is a struggle, but to get them to tell you the truth about ZSMLA mining project is twice as hard. All you get are vague answers that point out that there is something to be expected. The ZSMLA mining project is like an elephant in the room, the sad truth is that it feeds on the expectation and hope of community members.

5.3.8. Limitations

The notable limitation of this study was getting a gatekeeper's letter from Rio Tinto which would have granted me access to the copy of the signed agreement to review. The Head of Legal Services and the Community Liaison Officer for KwaNdaya and Port Durnford were constantly reminded about the importance of the study. There was emphasis on the need to get permission to review the binding documents which serve as an agreement between the new host communities and Rio Tinto for the mining project. The response received merely stated that "Rio Tinto is a huge multinational company and processes for the required entrance to such company documents were not taken lightly within the organisation". There was no buy-in for the provision of the data required and this led to secondary data sources being consulted. This limitation meant no ability to interview the Rio Tinto signatories of the agreement. This resulted to one respondent being

partially interviewed on behalf of Rio Tinto which was the Community Liaison Officer for KwaMkhwanazi and KwaDube areas. While he could not answer some of the questions, the discussion with him was useful as it led me to sources of more information.

One of the limitations of case study research is trying to ensure that the findings can be generalised to the whole population, in this case mining communities in rural peripheries of South Africa. This is an individual study looking at one case of Rio Tinto and rural communities of KwaNdaya and Port Dunford. With support from similar cases like that of Xolobeni community, the Cairncross *et al* (2013) study that looked at extractive industries in South Africa with Tudor shaft community as a case, one can confirm that the findings of this study would have still been similar with or without access to the lease agreement.

6. CHAPTER SIX: CONCLUSION

6.1. INTRODUCTION

This chapter summarises the study by indicating how the aims and objectives of the study were achieved. The concluding section of the chapter focuses on recommendations towards better Rio Tinto CSR contribution in the communities of KwaNdaya and Port Dunford.

6.2. ACHIEVEMENT OF AIMS AND OBJECTIVES

The aim was to assess the impact Rio Tinto's CSR plan towards achieving Rural Economic Development in KwaNdaya and Port Dunford. This was to be explored through studying Rio Tinto's CSR document and evaluating if the CSR plan has room to incorporate social inclusion of community members (stakeholders) at grass root level to participate in planning and decision-making processes when it comes to social development projects that will affect their daily lives and their future.

The secondary aim of the study was to understand if community members of KwaNdaya and Port Dunford are aware of what is happening around them, to understand their expectations and gauge their understanding on how the ZSMLA mining project is changing or can change their lives going forward.

6.1.1. OBJECTIVES OF THE STUDY

6.1.1.1. To assess the Corporate Social Responsibility plan of Rio Tinto, the documented strategy to reduce poverty in KwaNdaya and Port Dunford.

This objective was achieved by asking the question, how does the corporate social plan of Rio Tinto aim to reduce poverty in KwaNdaya and Port Dunford? This was achieved through the analysis and insight drawn from literature, document review in Chapter Two and the findings of the study in Chapter Five. In the absence of the exact primary agreement, secondary documents provided knowledge around lack of clarity among all stakeholders about the vision to alleviate

poverty in KwaNdaya and Port Dunford through CSR initiatives from Rio Tinto. There are CSR theories that have been translated into policies and approaches that govern the relationship between corporations and their host communities. Literature and documents review highlighted weaknesses and strengths around some of these policies and approaches. Noting especially the Kings report as explained in Chapter 2: Section 2.2 which merely states that companies should comply or explain why none of their profit goes into CSR. The finding is that the state has not regulated any strict penalties for mining firms to compel them to contribute to societies in which they operate in. There are also no clear definitions of what plans are there to alleviate poverty. Poverty alleviation requires people trapped in poverty to be part of the action plan. The findings show that in KwaNdaya and Port Dunford, the community is not informed about decisions of community development.

6.1.1.2 To examine the extent to which the Corporate Social Responsibility plan of Rio Tinto is aligned to the Integrated Development Plan of uMhlathuze Municipality.

Objective two of the study was linked to the second research question, to what extent is the Corporate Social Responsibility plan of Rio Tinto aligned to the Integrated Development Plan of uMhlathuze Municipality? This was achieved through conducting document review and KIIs. The IDP 2017/2018 of uMhlathuze Ward 22 does not rely or place any hope on Rio Tinto's CSR plan to contribute to development in KwaNdaya and Port Dunford. Both the IDP of uMhlathuze Ward 22 in comparison to the 2015 Sustainable development report of RBM focused on poverty alleviation but they do not have talk to each other about how this will be achieved. The IDP highlights the dislocation process of families situated in the mining zone to allow Rio Tinto to continue with its operations. This process was undertaken by Rio Tinto and families with graves in the mining zone were compensated. During KIIs and the FGD, youth highlighted they wanted more. They did not believe in the community leadership and Ward Councilors. They felt Rio Tinto owes them more; they believed through Rio Tinto there is a chance for their needs to be met. They

highlighted failure of the Ward Councilors and Izinduna to table their needs as young people to be the reason for slow development and perhaps underdevelopment in KwaNdaya and Port Dunford.

6.1.1.3 To investigate the ZSMLA mining committee's transparency and accountability to the communities of KwaNdaya and Port Dunford.

To achieve this objective, I kept in mind the main question about the ZSMLA mining committee's transparency and accountability during document review, Council sitting observation, KIIs and FGD. I also explored secondary documents from Rio Tinto provided knowledge through meeting minutes about when and how many times Rio Tinto had met with the community members to answer some of their questions around discomfort of reallocating graves, infrastructure in the community and access to the land needed for the mining project. These meetings were held in 2012. Two KIIs and observation of the *KwaNdaya uMkhandlu weNduna* sitting conflicted the information from the documents reviewed, in 2017 five years later after the meetings with the community stopped, what was observed is lot of conflict and disagreements. The KII with Induna, and the conversation with the community Liaison Officer who represented Rio Tinto confirmed that there was lot of finger pointing around what was meant to happen and who was meant to do what. Most of the information found through secondary data sources was not tangible on reality. Therefore, this meant the slogan which Rio Tinto goes by, "beyond mining" is to simply green wash the image of the company.

There was a lot of information hidden from the community, those that did get closer to the truth were often at risk to be manipulated or give up pursuing the real truth because of various stumbling blocks. Findings validate that there were incidents of civil actions that may affect the mining project. Some of the community unrest is based on instincts of human nature. The youth who are usually at the core of these mobile actions do not always have all the facts, rather they have the "*not in my backyard mentality*". This compels Rio Tinto to pay up by investing more

into KwaNdaya and Port Dunford communities through jobs, skills development, and general social development or forget about the ZSMLA mining project.

6.1.1.4 To assess the potential of knowledge sharing avenues while eliminating educational levels as a barrier to community development.

To achieve this objective, the community of KwaNdaya and Port Dunford through FGD, KIIs and had to answer the question research question of “How often is knowledge disseminated to all community members about the status of the ZSMLA mining project’s social development plans?”. Section 2.5.6. and 2.5.6. have laid bare the education background of participants and that of Ward 22 as a whole and confirmed that educational levels are still low in these two communities. It is hard for people with limited education to see beyond their societal issues. The challenge of education in social development is one of the things that haunt South Africa. It is a profound view that education is an important instrument for social transformation and development. While one cannot defy from this fact, it is also a provable fact that it is not the only contributing factor to community empowerment. The barriers cited by the community members that limit them from attaining good education included schools being further from the communities and thus meaning long distance walks to good quality schools. The others problem that came up was little to no formal education among Traditional Leaders. This strengthened the argument around their ability to make informed decisions concerning sustainable development and the future of KwaNdaya and Port Dunford. Primitive accumulation has undermined RED in South African through unfair terms of trade where lack of education and knowledge disadvantages community leaders in the bargaining tables where community resources are being discussed.

6.1.1.5 Recommendation on how to improve community participation in decision-making processes.

The possibility for the resources from Rio Tinto to materialise and bear social benefit must address current community issues, especially poverty. The pressure is building up on Rio Tinto as a Corporate to invest in the social well-being of KwaNdaya and Port Dunford. For this to come to pass, a few things need to be in order:

- To remove parity of participation all community members must participate in identifying social needs of the community. This is what is called a “needs assessment” in social development. This exercise should have no social stratification influencing who can speak, but must be a safe space for everyone to contribute, *“Things must not just happen”* as cited by FGD members.
- CSR initiatives around quality education among local schools in the two host communities should be prioritised to produce local skills needed by Rio Tinto for both technical and non-technical positions. This will serve as a catalyst to design in school programmes that improve local school facilities, especially science labs to produce pupils with competitive scientifically practical knowledge to further their studies with confidence in higher institutions as those individuals who attend schools in the townships and urban areas in the area.
- An implementation or an impact evaluation of the skills development plan for KwaNdaya and Port Dunford must be done. This will help identify if the current plan does prioritise the youth of KwaNdaya and Port Dunford. If there are gaps in the current CSR plan, Rio Tinto needs to ensure skills development and empowerment is prioritised for community members, especially youth to benefit on employment opportunities within the ZSMLA mining project.
- A youth committee that will represent and table the needs or concerns of the youth in all meetings council meetings regarding social benefits from Rio Tinto needs to be assembled. This

committee must be given access to financial documents to evaluate if the community trust fund is being used effectively to hold the main committee accountable for unaccounted for funds.

- An open inclusive bursary for all fields of study. Education is a social right and should not be limited to only Mathematics and Science majors. Social Sciences, Economics, Demographic Studies *etc.* are also important fields of study that build communities and uplift the future of individuals in South Africa.

6.3. RECOMMENDATIONS FOR FUTURE STUDIES

The study has revealed a need for further studies around Rio Tinto's CSR initiatives for KwaNdaya and Port Dunford. This will require all proper documentation to be made available by Rio Tinto, especially the signed agreement and minutes of all the meetings held where social benefits for the both communities were discussed. More studies around this topic may help mitigate rural poverty in mining communities around South Africa. The effects of having a mine in a backyard needs to be interrogated further to identify what positive and negative outcomes it brings.

CONCLUSION

This chapter has presented the conclusion of the study: Corporate Social Responsibility in the case of Rio Tinto and rural communities of KwaNdaya and Port Dunford. The aim and objectives of the study were discussed based on how they were achieved. The chapter concluded by proposing some recommendations for Rio Tinto to improve communication avenues. The study has revealed that in KwaNdaya and Port Dunford there is high community unrest and lack of transparency regarding the social benefits from the ZSMLA mining project. The problem stems from social stratification, inequality is observable through lack of women and youth

empowerment and their lack to influence decisions as they are often sidelined by those who are in power. Low educational levels have also played a role in silencing women and youth. The dominance of older men in the Chief's council Sunday meetings leaves little room and ability to think beyond 2037.

The resilience of young people to demand what they believe is rightfully theirs places not only the ZSMLA mining project at risk but also any fruitful Rural Economic Development initiatives that could have been possible. There is no understanding as to what the exact agreement is, who signed it and what were the terms and conditions of the agreement. While there are high hopes among community members that Rio Tinto will soon start employing young people, there is no evidence of ongoing youth empowerment and women through skills development training initiatives. This study has also found has established that there is lack communication, and this continually raises eyebrows. Communication is important for all parties involved to ensure transparency and harmony among all stakeholders.

CSR can be a powerful tool for development, provided all the ethical guidelines are in place, and procedures are followed to implement a company's strategy to achieve its intended development objectives, however this is often not the case. In Chapter Two, I discussed three approaches of CSR that blend into the theories of CSR, I highlighted my view that because of the various faces that CSR puts on to pave way to mineral wealth, it becomes hard to prove its authenticity. Therefore, it loses a leg to stand on and defend its ability to address key issues that engulf the corporates host community. One truth to always keep in mind is that CSR was born to redress capitalism and therefore communities as stakeholders have the right to hold corporates accountable in order to release the "license to operate". To date, it is impossible to understand if Rio Tinto's CSR is from a good place or if it is for greenwashing the image of this multimillion mining giant.

It is an ethical principle that any corporation that operates in a community must invest in the social well-being of the community members. It is important for such social agreements to be documented to prevent double effort and ease burden on the local government. Such agreements should not be a secret and they must be easy to be restated by community members, leaders and the corporate to prove same level of knowledge among stakeholders.

The study revealed that there is continuous community unrest around the ZSMLA mining project in the communities of KwaNdaya and Port Dunford. The community members are losing patience on what they were promised as social benefits of hosting the ZSMLA mining project. These unrests are visible through illegal civil actions, which can pose a greater threat to the ZSMLA mining project as well as to any possible CSR initiatives that *might* be in the pipeline. The study findings indicate lack of transparency and non-inclusion of community members in decision-making phases which undermines the stakeholder approach to CSR. Lack of education also contributes to this problem. Community members are not educated, and therefore lack self-esteem to sit in decision-making councils. Lack of education among community members is still persistent in both the older generation and the youth because of high dropout rate at secondary education. Promotion of activities that require community participation is of urgency to address issues in KwaNdaya and Port Dunford, particularly those that include social development through emancipation of women and youth to take part in providing solutions to break the deprivation trap of poverty. This will help remove sole power to negotiate from the hands of Traditional Authorities

REFERENCES

- Banerjee, Subhabrata Bobby. *Corporate social responsibility: The good, the bad and the ugly*. *Critical sociology* 34, no. 1 (2008): 51-79.
- Bazillier, Rémi and Julien, Vauday. *The greenwashing machine: is CSR more than communication*, (2009). BHP Billiton Development Trust report, available at: <http://www.ellenpapciakrose.com>. Accessed on the 26th of October 2017
- Blowfield, Michael. *Corporate Social Responsibility: reinventing the meaning of development*. *International Affairs* 81, no. 3 (2005): 515-524.
- Braun, Virginia. and Clarke, Victoria. *Using thematic analysis in psychology*. *Qualitative Research in Psychology*, 3 (2). (2006): 77-101.
- Buber, Renate, Gadner, Johanne and, Richards, Lyn. *Applying Qualitative Methods to Marketing Management Research*. Palgrave Macmillan. (2004).
- Cairncross, Eugene, Sophia Kisting, Mariette Liefferink, and David van Wyk. *Case study on extractive industries prepared for the Lancet Commission on Global Governance*. South Africa (2013).
- Cannon Tom. *Corporate responsibility*. Pitman publishing. (1992).
- Claassens, Aninka, and Brendan Boyle. "A promise betrayed: Policies and practice renew the rural dispossession of land, rights and prospects." (2015).
- Communities, mining corporations and corruption in South Africa, available at: <https://theconversation.com/communities-mining-corporations-and-corruption-in-south-africa-111007>, accessed on the 04th of June 2019
- Cooke, Bill, and Uma Kothari. *Participation: The new tyranny?* University of Manchester. Institute for Development Policy and Management. (2001).
- Creswell, John. *Research design, Qualitative, Quantitative and Mixed Methods Approaches*. 2nd ed. London: Sage. (2007).
- Dale, Ann and Newman, Lenore. *The role of agency in sustainable local community development*. *The International Journal of Justice and Sustainability*, no 5. (2010).
- Dawkins, Cedric E. *Corporate welfare, corporate citizenship, and the question of accountability*. *Business & Society* 41, no. 3 (2002): 269-291.
- De Vos, Anneke, Susanne, Delport, Suzanne, Fouche, Christa and Strydom, Herman. *Research at Grass root*. 2nd edition, Pretoria, Van Schaik. (2000).
- Dekker, A. and Esser, I. *The Dynamics of Corporate Governance in South Africa: Broad-Based Black Economic Empowerment and the Enhancement of Good Corporate Governance Principles*. *International Commercial Law and Technology*. Vol 3, Issue 3. (2008). <http://www.jiclt.com>.

Eweje, Gabriel. *The role of MNEs in community development initiatives in developing countries: Corporate social responsibility at work in Nigeria and South Africa*. *Business & Society* 45, no. 2 (2006): 93-129.

Finnemore, Martheanne, and Rhodé Van Rensburg. *Contemporary labour relations*. LexisNexis Butterworths, 2002.

Flores–Araoz, Micaela. *Corporate social responsibility in South Africa: More than a nice intention*, (2011) Available at: <https://polity.org.za/article/corporate-social-responsibilityin-south-africa-more-than-a-nice-intention-2011-09-12> Accessed on the 29th of October 2017

Florou, Dimitra and Gouscos, Dimitris. *Social Media-based Communities of Practice for Education in Citizenship and Sustainability*. (2011).

Fogelman, Charles. *Development by possession: the post-2000 development agenda and land rights in Lesotho*. *African Geographical Review*. (2017).

Gavin Capps & Sonwabile Mnwana. *Claims from below: platinum and the politics of land in the Bakgatla-ba-Kgafela traditional authority area*, *Review of African Political Economy*, 42:146, 606-624, (2015)

Hamann, Ralph and Kapelus, Paul. *Corporate Social Responsibility in Mining in Southern Africa: Fair accountability or just greenwash?* Macmillan; Society for International Development, vol. 47(3). (2004).

Hamann, Ralph. *Corporate social responsibility, partnerships, and institutional change: The case of mining companies in South Africa*. *Natural Resources Forum*, vol. 28, no. 4, pp. 278-290. Blackwell Publishing Ltd. (2004).

Harrell, Margaret and Bradley, Melissa. *Data Collection Methods. Semi-structured Interviews and Focus Groups*. Rand. National Defense Research Institute. (2009)

<http://www.kznhealth.gov.za/mediarelease/2009/newclinics.htm>, accessed on the 17th of November 2017.

http://www.riotinto.com/documents/2014_RBM_Sustainable_Development_Report_En.pdf [Online]. Accessed on the 18th of February 2016.

http://www.srk.co.za/files/File/South.Africa/publicDocuments1/ZultiSouth/DEIA/App/N/a_439550_48V_ZS_MLA_Final_20140811.pdf. Accessed on the 18th of February 2016

<https://zululandobserver.co.za/163294/community-demands-tribal-leaders-transparency/>: Accessed on the 4th of February 2018

Ite, Uwem. *Multinationals and corporate social responsibility in developing countries: a case study of Nigeria*. *Corporate Social Responsibility and Environmental Management*, Vol 11, Issue 1(2004).

Kapelus, Paul. *Mining, Corporate Social Responsibility: The Case of Rio Tinto, Rbm and Mbonambi Tribal Authority*. *Business Ethics* 39, no. 3 (2002): 275-296.

Kothari, C. R. *Research methodology: methods and techniques*. (2005).

Kruger, S. J., and Welman, Johannes, Christiaan. *Research Methodology* 2nd edition, Cape Town, Oxford University Press. (2001).

Kumar, Ranjit. *Research methodology: a step by step guide for beginners*. 3rd edition. Sage. (2011).

Labaree, Robert V. *Research Guides: Organizing Your Social Sciences Research Paper*, no. 5. The Literature Review. (2009).

Lamb, Charles., Hair, Joseph, McDaniel, Carl, Boschoff, Christo, & Terblanche, Nic. *Marketing* (3rd South African ed.) Cape Town, South Africa: Oxford University Press Southern Africa. *Selection of Causes According to Socio-Demographic Status in South Africa*. (2008)

https://www.researchgate.net/publication/233446527_Selection_of_Causes_According_to_Socio-Demographic_Status_in_South_Africa.

Legewie, Nicolas. An introduction to applied data analysis with qualitative comparative analysis. In Forum Qualitative Sozialforschung/Forum: Qualitative Social Research, vol. 14, no. 3. 2013.

Leibbrandt, Murray, Laura, Poswell, Pranushka, Naidoo, Matthew, Welch, and Ingrid, Woolard. Measuring recent changes in South African inequality and poverty using 1996 and 2001 census data. *Poverty and policy in post-apartheid South Africa*. (2006): 95-142.

Levine, R. Acker, J. Baca-Zinn, M. Collins, P.H. Cox, O. Davis, K. Eells, K. Dill, B.T. DuBois, W.E.B. Engels, F. *Social Class and Stratification: Classic Statements and Theoretical Debates*. Rowman & Littlefield. (2006)

Lynass, Rosemarie, Pykhtima Olga, Cooper, Mick. A thematic analysis of young people's experience of counseling in five secondary schools in the UK. *Counselling and Psychotherapy Research*, 12(1). (2012).

Maree, Kobus. *The first Steps in Research*, 2nd edition, Pretoria, Van Schaik. (2007).

Margolis Joshua, Effenbein Hillary and Walsh James. *Does it pay to be good? A meta-analysis and redirection of research on the relationship between corporate social responsibility and financial performance*. (2003)

McLaren, P. & Rikowski, G. *After the Box People: The Labor-Capital Relation as Class Constitution and Its Consequences for Marxist Educational Theory and Human Resistance*, in: P. McLaren (ed.) *Capitalists and Conquerors: A Critical Pedagogy Against Empire*, (2006)

Merino, Amparo and Valor, Carmen. The potential of Social Corporate Responsibility to eradicate poverty: an on-going debate. *Development in practice*, 21(2) (2011): 157-167

Merriam, Sharan B. *Qualitative research and case study applications in education*. Revised and expanded from. Jossey-Bass Publishers. (1998).

Mitchell, Coral and Sackney, Larry. *Profound Improvement: Building learning-community capacity on living-system principles*. 2nd edition. Taylor & Francis. (2011):72

Mnwana, Sonwabile Comfords. *Participation and paradoxes: community control of mineral wealth in South Africa's Royal Bafokeng and Bakgatla Ba Kgafela communities*. PhD dissertation, University of Fort Hare, 2012.

- Mnwana, Sonwabile, and Andrew Bowman. *Mine mechanisation and distributional conflict in rural South Africa*. Resources Policy 59, no. C (2018): 227-237.
- Mnwana, Sonwabile. *Mining and 'community' struggles on the platinum belt: A case of Sefikile village in the North West Province, South Africa*. The Extractive Industries and Society 2, no. 3 (2015): 500-508.
- Mohr, Philip and Fourie, Louis. *Economics for South African Students*. Van Schaik publishers. (2008)
- Mouton, Johann. *Approaches to programme evaluation research*. Journal of Public Administration, 42. (2006):490-511.
- Muthuri Judy, Moon Jeremy, and Idemudia Uwafiokun. *Corporate Innovation and Sustainable Development in Developing Countries*. Business and Society 51, no. 3 (2002): 355-381.
- Neeltje, Du Plessis and Grobler, Anské. *Achieving sustainability through strategically driven CSR in the South African retail sector*. Public Relations Review 40, no. 2 (2014): 267-277.
- Neron, Pierre-Yves and Norman, Wayne. *Corporations as Citizens: Political not metaphorical*. Business Ethics Quarterly 18 (1) (2008): 61-66
- Newell, Peter and Frynas, Jędrzej George. *Beyond CSR? Business, poverty and social justice: An Introduction*. Third World Quarterly, 28 (4). (2007):669-681
- Norman, Wayne, and MacDonald, Chris. *Getting to the bottom of "triple bottom line"*. Business Ethics, Quarterly 14, no. 2 (2004): 243-262.
- Nqadala, Sylvia Nandipa. *Some factors that influence the learning and development of primary school learners*. (2007).
- Özdemir, Sertan, St Louis, Kenneth and Topbas, Seyhun. *Public attitudes towards stuttering in Turkey: Probability versus convenience sampling*. Journal of Fluency Disorders, 36(4). (2011):262-7
- Petras, J Veltmeyer, Henry Delgado Wise, Raa Marquez Covarrubias. *Imperialism and capitalism in the twenty-first century: A system in crisis*. Humberto. (2013).
- Philip, Lijee and Vijayraghavan, Kala. *Corporate trends 8% increase in corporate spending on CSR*. ET Bureau. Jan 11, (2018): <https://economictimes.com/news>
- Porter, Michael. and Kramer, Mark. *Creating Shared Value: How to reinvent capitalism and unleash a wave of innovation and growth*. Harvard Business Review, January-February. (2011).
- Sapsford, Roger. *Survey research*. 2nd edition. Sage publications, (2007)
- Scherer, Andreas Georg, and Guido Palazzo. *The new political role of business in a globalized world: A review of a new perspective on CSR and its implications for the firm, governance, and democracy*. Journal of management studies 48, no. 4 (2011): 899-931.
- Sharp, John. *Corporate social responsibility and development: An anthropological perspective*. Development Southern Africa. Vol. 26, Issue 2. (2006):213-222

Sibiya (2010)

Slabbert, J.A., Prinsloo, J.J., Swanepoel, B.J, and Backer, W. *Managing Employment Relations in South Africa*. Butterworths. (1998:16-7). In Leisl, Van den Ende.

Corporate social responsibility in South Africa: *Fact or Fiction*. A dissertation submitted to Rand Afrikaans University. (2014):24. <https://ujcontent.uj.ac.za/vital/access/services/Download/uj:6769/CONTENT>

South African Government, *National Youth Policy 2015-2020*. <https://www.gov.za/documents/national/html>,

Southern African-German Chamber of Commerce and Industry. *Annual report of the Southern African-German Chamber of Commerce and Industry 2013-2014*. (2014). https://suedafrika.ahk.de_en

Trochim, William. *Survey Research. Research Methods of Knowledge*, (2006)

Turner, Daniel. *Qualitative Interview Design: A practical guide for novice investigators. The Qualitative Report*, 15(3). (2010):754. <https://nsuworks.nova.edu/tqr/vol15/iss3/19>

USAID, Center for Development Information and Evaluation. *Performance monitoring and evaluation tips: Using direct observation techniques* (1996). http://pdf.usaid.gov/pdf_docs/PNABY208.pdf

Van den Ende. *Corporate social responsibility in South Africa: Fact or Fiction*. A dissertation submitted to Rand Afrikaans University. (2014):24.

VanderStoep, Scott and Johnson, Deidre. *Research methods for everyday life: Blending Qualitative and Quantative Approaches*. Wiley. (2008):76

Veluz, Anthony. *Corporate social responsibility or company saying rubbish*. (2014). www.slideshare.net/mobile/Ant44Linc/csr-33321442

Vogel, David. *The Market for Virtue. The potential limits of Corporate Social Responsibility*. Brookings Institute. (2005).

Wallerstein, Nina and Duran, Bonnie. *Using community-based participatory research to address health disparities*. Sage Journals (2006):323

Yakovleva, Natalia. *Corporate social responsibility in the mining industries*. Routledge. (2017).

APPENDIX A: INTERVIEW GUIDE



HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus
Govan Mbeki Building
Private Bag X 54001
Durban
4000

Tel: 27 31 2604557; Fax: 27 31 2604609; Email: HSSREC@ukzn.ac.za

Introduction: My name is Nomnotho Gumede, a student in the School of Built Environment and Development Studies in the University of KwaZulu-Natal. Thank you for meeting me today, I hope you are ready for our interview. The discussion will take 40-minute to an hour of your time. discussion. This interview talks about what is happening in the community, please note that the study is for academic purposes

Topic: Corporate Social Responsibility in the case of Rio Tinto and rural communities of KwaNdaya and Port Dunford.

- ❖ Your participation is valuable, it will highly contribute to the study meeting it objectives.
- ❖ Participation will not be rewarded and does not guarantee any direct benefits, i.e. employment or monetary value.

Ethical Assurance: Before we continue, I would like to emphasize information shared during our discussion is strictly confidential and will only be used for the research project.

***** Ask the respondent (s) to sign the consent form and ask for permission to record interview.**

1. SECTION A

1.1. Demographics

1.1.1. Title

Miss	
Mrs.	
Mr.	

1.1.2. Gender

Female	
Male	

1.1.3. Age

18-35	
36-60	
61-90	

1.1.4. Residential Area

Port Dunford	
KwaNdaya	
Other	

1.1.5. Respondent identification list

Traditional Authority Representative	✓
Councilor of Ward 22	✗
Project Manager of ZSMLA project (Rio Tinto)	✗
Community Liaison Officer (Rio Tinto)	✓
uMhlathuze Youth Representative	✓
Youth Chairperson of KwaNdaya	✓
Focus Group Discussion	✓

2. SECTION B:

2.1. To investigate the level of communication, transparency as well as accountability to the community.

2.1.1. When was the first time you had about Zulti South Mineral Lease Area mining Project?

.....
.....
.....
.....

2.1.2. Does knowledge sharing have a potential to eliminate barriers of low educational levels in community development?

.....
.....
.....
.....

2.1.3. What would you say is the general feeling of the community members about the mining project up to this stage?

.....
.....
.....
.....

2.1.4. How does the Corporate Social plan of Rio Tinto aim to reduce poverty in KwaNdaya and Port Dunford?

.....
.....
.....
.....

2.1.5. What necessary interventions have been taken by Rio Tinto to prepare the communities for the major changes based on the mining project commencing soon?

.....
.....
.....
.....

3. SECTION C

3.1. To find out if the Corporate Social Responsibility plan is aligned to the Integrated Development Plan.

3.1.1. What do you understand about the Corporate Social Responsibility of Rio Tinto for KwaNdaya and Port Dunford?

.....
.....
.....
.....

3.1.2. Based on your knowledge what was the initial promise of hosting the ZSMLA mining Project for KwaNdaya and Port Dunford?

.....
.....
.....
.....

3.1.3. Which interventions have been successful to this point by Rio Tinto for community development?

.....
.....
.....
.....

3.1.4. To what extent is the Corporate Social Responsibility plan of Rio Tinto aligned to the Integrated Development Plan of uMhlathuze Municipality?

.....
.....
.....
.....

3.1.5. Which approach is being used to ensure community participation in planning and decision-making phase?

.....
.....
.....
.....

4. SECTION D

4.1. To empower through knowledge while eliminating educational levels as a barrier towards development.

4.1.1. What challenges have been posed by low educational levels amongst community members?

.....
.....
.....
.....

4.1.2. What is the relationship between educational levels amongst community members and potential growth of the community?

.....
.....
.....
.....

4.1.3. What are the strategies that can improve community participation in decision making processes?

.....
.....
.....
.....

4.1.4. Which trainings have been conducted to prepare the youth for job opportunities within the mining project?

.....
.....
.....
.....

4.1.5. What skills are most critical for the youth to possess in order to meet the requirements of working on the mining project?

.....
.....
.....
.....
.....

5. SECTION E

5.1. To improve youth and community participation in decision making processes.

5.1.1. Do women and the youth have an equal voice in decision making about community development projects?

.....
.....
.....
.....
.....

5.1.2. How often are the meetings held with the youth and women in the community?

.....
.....
.....
.....

5.1.3. Is the ZSMLA mining committee transparent and accountable to the communities of KwaNdaya and Port Dunford?

.....
.....
.....
.....

5.1.4. What role do young people play in participating on the planning and decision-making phase in the development of KwaNdaya and Port Dunford communities?

.....
.....
.....

THE END.... THANK YOU FOR YOUR PARTICIPATION!!!!!!

APPENDIX B: CONSENT FORM

Introduction: My name is Nomnotho Gumede, a student in the School of Built Environment and Development Studies in the University of KwaZulu-Natal. You are being invited to participate in a study that involves integrated rural economic development in KwaNdaya titled: **Corporate Social Responsibility in the case of Rio Tinto and rural communities of KwaNdaya and Port Dunford**. The aim and purpose of this study is to find out the social impact of the mining project in the mentioned communities. This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number: **HSS 1426 017M**).

CONSENT

I..... a resident of Esikhawini, Port Dunford or KwaNdaya have been informed about the study titled *Corporate Social Responsibility in the case of Rio Tinto and rural communities of KwaNdaya and Port Dunford* by Nomnotho Gumede as the researcher.

- I declare that my participation in this study is entirely voluntary.
- I am aware I have the right to withdraw should I be uncomfortable.
- I have been informed that the study does not directly benefit me in terms of money, vouchers or any material well-being.
- If I have any further questions/concerns or queries related to the study, I understand that I may contact the researcher at 078 319 2154, telephonically or on WhatsApp for instant convenient massaging.
- If I have any questions or concerns about my rights as a participant, I may contact the university directly on the provided contact details below:

Tel: 27 31 2604557 - Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

Signature of participant

Date