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Contemporary discourses around corporate social responsibility and their influence on business and society relations

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Contemporary discourses around corporate social responsibility and their influence on business and society relations

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by

Yanina Mariel Kowszyk

born on 12 January 1978
in Córdoba, Argentina

Supervisor
Prof. F. M. D. Vanclay

Co-supervisor
Dr. M. Badia Miró

Assessment committee
Prof. G. de Jong
Prof. M. Bernardo
Prof. C. Parra
Prof. E. Akdeve

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Chapter 1
Introduction

Introduction

1. Introduction

The paper, "Corporate social responsibility: The good, the bad and the ugly" (Banerjee, 2008), was a controversial publication in the Corporate Social Responsibility (CSR) research field. As a post-colonial researcher, Banerjee claimed that CSR was not benefiting people, but only firms. His paper created a lot of controversy. Banerjee reviewed 50 years of discourses about CSR (up to 2008); however, there is now a need to update his review by identifying how CSR has evolved over the last 10 years with the emergence of new discourses that take into consideration the increasing number of actors that have been involved in conversations around the role of businesses in society. From a practical perspective, it is also useful to identify the CSR discourses that have emerged between 2010 and 2020, and to consider what type of power relations it is believed that CSR creates according to these discourses. Multinational corporations play a key role within the global governance system. However, the power dynamics created by these firms will differ depending on who is analysing these dynamics.

Another development over the past decade or so is the huge increase in interest in the environmental justice movement, which started in the 1980s in the USA. Furthermore, the number and diversity of actors engaged in conversations about business and society relations is growing rapidly. Among these actors, there are: researchers who have declared themselves to be socially engaged; international organisations leading the sustainability transition debate at the global level; and small and medium enterprises (SMEs) attempting to maintain their position in a complex market with new threats such as climate change and increasing societal demands. In addition, there are social movements raising their voices about a wide range of social and environmental causes, and other actors aware that the world is at a threshold marked by a transition towards an idea of sustainable development that is still being framed.

Banerjee (2008) made a clear contribution from a post-colonialist perspective and therefore he analysed CSR discourses using the lens of power relations. A similar perspective was adopted for this PhD research because this research is not referring to CSR in developed countries, but is mainly focusing on developing countries. Thus, the research setting is a key aspect of this thesis, and has various specific characteristics such as:

1. Power imbalances between political and economic elites, and citizens (Calvano, 2008; Kemp et al., 2011; Gonzales-Gaudiano, 2016; Stoltenborg & Boelens, 2016; Conde & Le Billon, 2017)

2. Structural vulnerabilities and inequalities in the social security systems (Lagos & Blanco, 2010; Barma et al., 2014; McCullough, 2016; Toledano & Kazemi 2022)

3. Limitations in the capacity of the state to regulate the extractive industry (Delamaza et al., 2017; Rodríguez-Labajos & Özkaynak, 2017; Silva et al., 2018; Maher, 2019; Banerjee et al., 2021; Holcombe, 2021).

The idea of businesses contributing to sustainable development was crystallised in the concept of CSR. Conceptualizations around CSR flourished and by the beginning of the 21st century, there were many definitions, not only about CSR itself, but also for many related concepts, such as the sphere of influence, and the criteria to define stakeholders. From 2004 to 2011, in the process to develop the ISO 26.000 Social Responsibility standard, many possible definitions of CSR were considered in the various discussion meetings at international and national levels. Finally, the ISO guidance was launched stating that social responsibility is: *"The responsibility of an organization for the impacts of its decisions and activities on society and the environment, resulting in ethical behaviour and transparency which contributes to sustainable development, including the health and well-being of society; takes into account the expectations of stakeholders; complies with current laws and is consistent with international standards of behaviour; and is integrated throughout the organization and implemented in its relations"* (ISO, 2012, p. 11). Because ISO wanted its standard to be applicable to all organizations, they named their standard "social responsibility", even though it has the same meaning as CSR. Although the ISO 26.000 standard established a single definition, the concept of social responsibility (and CSR) is still contested. This contestation is a matter of attention in this research. I will refer to the contesting perspectives as 'discourses', taking into account that discourses are sets of statements about social life that are related to power and social cognitions (Van Dijk, 1993). A discourse accounts for a force of social representations and is always related to power (Van Dijk, 1993). In this thesis, I study the statements and social representations that different groups of people have about the power exerted by companies and around the responsibility firms should have towards others.

Banerjee (2008) concluded that CSR was narrowly defined by corporate interests and served to restrict the influence of external stakeholders. Banerjee claimed that CSR was an ideological movement aiming to legitimise and consolidate the power of large corporations and that it marginalised large groups of people. The connection between CSR and corporate legitimation was reconfirmed by several theoretical and empirical studies (Farache & Perks, 2010; Du & Vieira, 2012; Colleoni, 2013; Chauvey et al., 2015; Bachmann & Ingenhoff, 2016; Ellerup Nielsen & Thomsen, 2018). What I believe still needs exploration is whether the CSR discourses of the last 10 years or so are changing the power dynamics that Banerjee identified. This is what I seek to do in this PhD thesis.

The primary research question for this PhD thesis, therefore, is: How have CSR discourses of the last decade (2010-2020) changed the understanding of the relationship between business and society? Some secondary research questions are: How have the emerging CSR discourses reshaped ideas around?; What should be the main purpose of CSR?; Who should define this?; and Who should benefit from CSR actions?

In this PhD thesis, firstly, I explore the emergence of the quantitative measurement approach to CSR programs (Chapter 2). Around 2017, Crane et al. (2017) started arguing for the use of mixed methods in the business and society field, and at the same time, there was an international cooperation project in 15 countries in Latin America promoting this approach to measure the social return of CSR programs. Secondly, I will also bring into this thesis the 'green economy' discourse drawing on the European Commission's main institutional tool, the Green New Deal (Chapter 3). A third discourse I will consider is local communities and their claims for environmental justice (Chapter 4). Lastly, I will bring in the perspective of social movements, their views of a different development path (one that is not around extractives), and their attempts to impact policy and institutional changes in relation to corporate behaviour (Chapter 5).

To analyse each of the CSR discourses and address the research questions of this thesis, I developed a set of chapters introducing the main features of each discourse and the voice of their main proponents. I focused the research scope on the last decade, i.e. the years 2010 until 2020. I used a multi-methods approach, meaning that I used interviews, a survey, participant observation, document analysis, and case study analysis. For data analysis, I used descriptive statistics and content analysis for interviews and secondary sources by coding the empirical information into concepts, themes and dimensions (Gioia et al., 2013).

The main contribution of this research is the provision of an updated framework of CSR discourses, which includes the approach that each discourse holds about the relationship between business and society, especially in the context of developing countries. This updated framework differentiates among discourses based on their assumptions around what the main purpose of CSR should be, who should define this, and who should benefit from CSR actions. On the basis of this framework, it is possible to reflect on the critical discourses in the CSR field that attempt to change power relations. The varying stakeholders have different understandings of CSR and CSR needs to be recognized as being a contested concept. Although Banerjee's paper is over 14 years old, I believe that Banerjee's argument is still valid: CSR and CSR discourses are still all about power relations. However, I show that dissent is an essential element in the understanding of CSR. In this thesis, I describe the competing discourses and how their proponents understand CSR.

The structure of the thesis is as follows. Chapter 1 (this chapter) contains a theoretical framework, the problem statement, the research questions, a methodology description for the thesis as a whole, and the context of each chapter. Then there are four chapters, each discussing a different CSR discourse: Chapter 2: The possibilities and limitations regarding the use of impact evaluation in CSR programs in Latin America. Chapter 3: Circular Economy and Business Model Innovation. Chapter 4: Conflict management in the extractive industries. Chapter 5: Social revolution and mining projects: the potential role of cultural power in transforming mining conflict. Finally, Chapter 6 is a conclusion to the thesis, containing a description of the findings, a reflection about these results, a summary of the main contributions of the thesis, and ideas for further research.

2. Theoretical framework and key concepts

2.1. CSR and power relations

Banerjee (2008) started his review of CSR discourses by showing that, at the end of the 19th century, restrictions and legislation around corporate behaviour were eliminated, removing any expectation that they serve the public interest. Later, companies developed some mechanisms to protect their property rights and secure maximisation of shareholder return. References to 'social good' were only symbolic and derived from the economic functions of business that provided social well-being. There was a separation of the economic from the social and environmental, which were understood as 'externalities'. Banerjee reviewed 50 years of CSR definitions, includ-

ing the one from the World Business Council for Sustainable Development, and CSR discourses ranging from the Friedman definition of "the social responsibility of business is to increase its profits" (Friedman, 1970, p. 32), passing through stakeholder dialogue, social license to operate, the connection between CSR and good financial performance, and the concept of sustainable development. Banerjee concluded that most discourses promote "business as usual but greener" (Banerjee, 2008, p. 66) because according to Banerjee it is business that defines what CSR should be.

Banerjee (2008) claimed that CSR was an ideological movement that aimed to legitimise and consolidate the power of large corporations, and consequently it marginalised large groups of people. He criticised stakeholder theory by rhetorically asking how empowering stakeholders would affect the financial performance of firms, and what would happen if those stakeholders who were empowered had opposing agendas to that of industry. He suggested that stakeholders who do not agree with the corporate interest are either co-opted or marginalised. To counter the corporate domination, he recommended that there is a need for more accountability from companies and more participation from local communities and social movements. The literature has many similar contributions linking CSR with legitimising the role of businesses (Farache & Perks, 2010; Du & Vieira, 2012; Colleoni, 2013; Chauvey et al., 2015; Bachmann & Ingenhoff, 2016; Ellerup Nielsen & Thomsen, 2018). Other literature has referred to the power imbalances that are commonly found in the relationship between companies and their stakeholders (Calvano, 2008; Kemp et al., 2011; Gonzales-Gaudiano, 2016; Stoltenborg & Boelens, 2016; Conde & Le Billon, 2017).

Castells (2009) defined power as a relational capability to influence others in an asymmetric way. This capability enables one actor to pursue their own interests and values over other social actors, making asymmetry inherent to power. Where power imbalances exist, the level of dependency of vulnerable communities on companies is likely to increase (Jenkins, & Obara, 2006). Power imbalance is linked to resource dependence theory, in which the power-advantaged actor is entirely independent, but the other actor is dependent. The concept is also relevant because it can perpetuate structural inequalities (Lagos & Blanco, 2010; Barma et al., 2014; McCullough, 2016; Toledano & Kazemi, 2022). For Harvey (2004), the neoliberal changes, such as privatisation of public services promoted since 1970, was a process of "accumulation by dispossession". This happened at the time when local environmental challenges started, such as mono-cropping replacing subsistence farming (Liverman & Vilas 2006; Castro & Baud, 2016). The combination of these environmental changes with the neo-liber-

alization of economies raised conflicts between popular demands, business elites and multinational corporations.

2.2. Emerging CSR discourses

In recent decades, CSR became a topic that is core to the global business agenda as an umbrella term (Gond & Crane, 2010). In this section, I describe the discourses that appeared after Banerjee's review. I ask myself whether the corporate sector replied to Banerjee's criticisms. Did international organisations propose a solution? How did social movements and local communities react to the increasing power of corporations?

I start with a mainstream CSR corporate discourse. A sustained challenge for CSR managers had been to demonstrate whether CSR has an impact on social welfare and/or on firm performance. This is not a problem just for practitioners. In effect, this is a core issue within the debate in the field of business and society, and research results are mixed (Salem et al., 2012; Crane et al., 2017). Supporters of CSR argue that expenditure on environmentally and socially responsible behaviour will return to the company over time (Porter & Kramer, 2006). However, some practitioners and researchers are sceptical (Weiser & Zadek, 2000). For instance, Stříteská and Kubizňáková (2010) found that there is no consensus on whether CSR affects business competitiveness. Also, how CSR affects corporate performance is not clear because CSR outcomes are hard to quantify and difficult to include in the financial balance sheet (Stříteská & Kubizňáková, 2010; Salem et al., 2012). This lack of agreement together with the multiple and heterogeneous nature of CSR (Gond & Crane, 2010; Galant & Cadez, 2017) restricts identification of the costs and benefits of CSR (Stříteská & Kubizňáková, 2010). Therefore, measurement could be a key component in resolving disagreement between CSR sceptics and supporters.

In this regard, Crane et al. (2017, 2018) started motivating companies and showed a growing interest in using quantitative research designs and methods in the business and society research field. This happened after Duflo and Banerjee (2011) published Poor Economics (winning the Nobel Prize for economics), in which they depicted that impact evaluation produces rigorous evidence about what works and what doesn't work (Duflo & Banerjee, 2011; Graafland & Smid, 2019). They claim that impact evaluation has the potential to catalyse evidence-based decision making (Duflo et al., 2007; Brook & Akin, 2019). The CSR discourse, promoting evaluation of CSR programs, was later promoted by several international organisations and gained atten-

tion amongst business managers. Although still with indecisive results, I believe this discourse can be recognized as a corporate response to critical perspectives and an attempt to demonstrate how companies address poverty and social challenges in a systematic way.

On the other hand, today CSR is facing the emergence of the climate change agenda. Building a green economy has been at the centre of international politics since the 2012 United Nations Conference on Sustainable Development in Rio de Janeiro (also known as Rio+20) because a green economy is considered a way to combine economic growth with environment protection and poverty reduction. In this context, the 'Circular Economy' has recently emerged as an essential perspective to the sustainable transition and has gained great importance in the agendas of policymakers (Brennan et al., 2015). By circular economy, I understand a model of consumption and production that has the aim of preventing raw materials to be converted into waste. Circular economy enables companies to create and capture value from including the "R" principles into the business model: reusing, repairing, remanufacturing, and recycling (Centobelli et al., 2020). At the firm level, the new model is a set of strategic decisions aiming to preserve the embedded environmental and economic value of a product or service into the system (Centobelli et al., 2020).

The green economy and circular economy perspectives has been reflected in the development of the Chinese Circular Economy Promotion Law in 2009 (Lieder and Rashid, 2016) and a comprehensive European Circular Economy package by the European Commission starting in 2015 (European Commission, 2015). Academia has also seen the rise of studies centred on the circular economy and its development as an important field of research with an increase in the number of articles and journals dealing with it during the last decade (Geissdoerfer et al., 2017). In this thesis, I aim at describing this CSR discourse aiming to discuss how multilateral organizations are promoting circular economy as a sustainability transition pathways companies should follow.

A third CSR discourse I analyse is political ecology, which has a research and activist perspective and aims at representing the voices of local and Indigenous communities. Political ecology and post-colonialist scholars have explored the negative effects of CSR. The research field started in the 1970s and 1980s, but a major expansion came with Antony Bebbington's papers and special collections of articles from 2007 and onwards. For this discourse, CSR is especially relevant in extractive settings because of the huge dimensions and economic impact of these operations in the develop-

ment of a country. Mega-extractive projects refer to large-scale forms of investments that characterise extractive orientations towards economic development (Silva et al., 2018), including mining, oil and gas, among others. While metal demand has been growing, mining and extractive operations expanded to countries where the state capacities are limited to articulate solutions or provide solid, accountable and stable legal and justice systems (Delamaza et al., 2017; Rodríguez-Labajos & Özkaynak, 2017; Silva et al., 2018; Maher, 2019; Banerjee et al., 2021; Holcombe, 2021). As serious attempts by government to address issues are largely absent (Rodríguez-Labajos and Özkaynak, 2017, the problem around the access and use of natural resources is addressed through conflict (Hanna et al., 2016). By 'conflict', I mean the disputes in relation to the use and access to mineral resources and the implications of the extraction activities for other related natural resources (e.g. land, water, forest, cultural heritage), and on lives and livelihoods of the local and Indigenous communities settled in areas that can be affected by the extractive companies (Kapelus et al., 2011; Prenzel and Vanclay, 2014; Conde, 2017). In this thesis, I reflect on the CSR managers' skills to address conflicts and on how political ecology can bring relevant concepts for business management and conflict management theories.

For this discourse, CSR programs potentially lead to a blurring of boundaries between firms, governments and communities, and may lead to unintended consequences that reduce the desired social development outcomes and likelihood of gaining a social licence to operate (Calvano, 2008; Esteves & Vanclay, 2009; Curran, 2017; Vanclay & Hanna, 2019). As extraction companies usually operate in institutional weak environments, they typically provide public good services to their neighbouring communities, making them reliant and dependent on the company support. This allows firms to increase their legitimacy and to reduce their risk by preventing communities from engage with opposition groups (Taarup-Esbensen, 2019). In contrast, effective change in corporate culture and practices potentially would secure trust and support from host communities (Vanclay & Hanna, 2019).

CSR is also defined as a way of managing the increasing accountability pressures on modern corporations, helping them to maintain their legitimacy in a highly competitive market place where brand and reputation that has been gained over many years can be lost in a few seconds. Companies, in this sense, display their social programs to gain their social license to operate (Curran, 2017). A social license is different from the legal one, which treats legal and regulatory approvals as an initial step in the legitimation process. However, Curran (2017) argues that the absence of a clear definition

of social license creates a politically charged dynamic contestation, which may affect the company's operational continuity. Thus, an elusive definition of social license can bring opportunities for extractive opponents to create collective democratic action frames in the mobilization struggles. In this sense, I argue that a fourth CSR discourse is the one promoted by social movements reflecting their expectations around corporate behaviour and struggling to include these demands into policy and institutions by promoting reforms.

The rejection of large-scale infrastructure projects has been increasing across Latin America in recent decades (Bebbington, 2009; Walter & Urkidi, 2017; Curran, 2017; Von Redecker & Herzig, 2020; Regassa, 2021). Due to issues such as inequalities, lack of recognition of Indigenous rights, poor participatory and democratic mechanisms, as well as growing opposition to extraction production systems, in some countries the demand for meaningful social and political change has even reached the point where major policy reform processes have been achieved (Silva et al., 2018). The research field of social movements and contentious action had several key publications since the 1980s and 1990s, with the most important references being the books, Dynamics of Contention (McAdam et al., 2003) and Contentious Politics (Tilly & Tarrow, 2015).

2.3. The ESG discourse

The Environmental (E), social (S), and governance (G) issues (ESG) are considered today as being part of the sustainable development action plans, and international organizations are aiming to build a sustainable and comprehensive ESG framework (Li et al., 2021 p1). In effect, while implementing this research project, I was aware that the concept of CSR had evolved towards the concept of ESG according to the views of many authors and practitioners (Pollman, 2019; Hazen, 2020; Gillan et al., 2021; World Economic Forum, 2021). As ESG has a financial orientation, as I will describe below, and taking into account my interest in bringing peoples' voices and understanding power relations, I did not include the concept of ESG in the design of the specific chapters. Furthermore, while undertaking a revision of the literature used and collecting data on the ground, this topic did not strongly emerge either. However, at the time of finalising the PhD thesis, I realized that leaving aside ESG would neglect the investors' voice (one could argue that I had also left aside the employee voice, but I will discuss this in the 'limitations' section of this chapter). Therefore, below I will describe how ESG is also an emerging discourse and I will show what type of power relations it is creating. As I am including an extensive literature review, I have decided to include the ESG discourse as part of the contributions; however, I am aware that further research could bring a deeper comprehension of this discourse and its operation.

According to Gillan et al. (2021), while CSR includes governance issues indirectly, and mainly in relation to environmental and social impacts, ESG includes the governance factor explicitly, with ESG being a broader term that is replacing CSR. MacNeil & Esser (2022) affirmed that CSR evolved to a financial model of ESG factors that investors should integrate in their portfolio construction so they mitigate environmental, social and governance risks that potentially harm investment performance over the long term. CSR is about how companies fulfil certain social obligations and how they balance these values with profit maximization, while ESG reporting becomes more metrics driven (MacNeil & Esser, 2022).

The move from CSR to ESG was justified by the need to create the business case for CSR. There was a shift from social and moral obligations in CSR to a risk management perspective in ESG, related to litigation and regulatory risk. ESG's origins can be found in a few events. First, in 2004, the UN Secretary-General invited major financial institutions to integrate environmental, social, and governance concerns into capital markets. The resulting study, "Who Cares Wins" (United Nations, 2005), marked the growing use of the term. Second, in 2006, the United Nations launched the Principles of Responsible Investment (PRI) mentioning ESG, climate change and human rights, as issues that can affect the performance of investment portfolios and should therefore, be considered alongside more traditional financial factors. Third, in 2008, the global financial crises catalysed financial regulation reforms providing further momentum to sustainability, and to ESG, as the sustainability transmission mechanism. Fourth, in 2016, the Taskforce on Climate-related Financial Disclosure proposed a framework for more effective climate friendly financial disclosure that could promote informed investments, credit and insurance, and enable to understand the risks associated with carbon (MacNeil & Esser, 2022, p16). Not only the investment risks posed by climate change, but also poor corporate governance provided the basis for a growing interest in ESG (Townsend, 2020).

While the use of the term grew, the results of ESG in financial returns also proved to be effective. Lööf et al. (2022) demonstrated that investors could reduce their risk exposure by investing in companies with superior CSR. Gillan et al. (2020) confirmed that around 90% of studies found a non-negative ESG-financial performance relation, and the large majority found a positive relation between ESG and financial results. In Latin America, Jimenez and Zorio-Grima (2021) and Ramirez et al. (2022) found that the more the CSR transparency, the lower the cost of corporate capital.

In terms of literature development, Daugaard (2020) affirmed that, although ESG practice has flourished in a dynamic and multifaceted system, critiques have emerged. These critical perspectives refer, mainly, to the fact that the concept serves for investors and for financial investing, however, there are doubts regarding the positive relationship between ESG and other stakeholders and about the degree of extent that it serves to describe and measure the contribution of companies to a sustainable development. I will summarize these critical views below.

The most frequent criticism refers to the fact that ESG does not put shared benefits or the voices of a firm's stakeholders at the centre of the social role of business (Porter et al., 2019). Different geographical locations, cultures and Indigenous' views have a lower priority compared to portfolio risk and return (Daugaard, 2020; Linnenluecke, 2022). The real effect of ESG may or may not be realised, and in any case, they generally can not be verified (MacNeil & Esser, 2022). In a similar line, Daugaard (2020) found that human rights, working conditions and gender issues were missing in ESG reports. O'Connor-Willis (2021) added to the discussion that there was an imbalance in the quantity and quality of information within ESG indexes between cost saving issues and the social factor, mainly the creation of decent jobs and other human rights risks.

On the other hand, ESG has difficulties to incorporate a holistic and comprehensive view of a company's behaviour. Amaeshi (2010) argued that CSR and financial performance run on competing logics. Similarly, Scheper and Gördemann (2022) affirmed that as ESG's most frequent structure is taking the form of factors or indicators, consequently, ESG neglects the general overview of the company's responsible behaviour. In some cases, human rights are reduced to technical risks in a financial bottom line. Thus, the holistic responsibility at the corporate level is transformed into fragments of responsibility having clear effects on the scope of what is finally included in the assessment.

One of the consequences of these problems is that investors might be considering a poorly built ESG analysis (Porter et al., 2019). ESG data is complex, confusing and far from reflecting what is expected from companies, Eccles & Stroehle (2018) showed that data vendors (their founding principles, legal status, purpose, etc.) strongly influenced the conception of sustainability, definition of materiality, and by extension, the way ESG issues are measured and sold. The potential to make money on ESG for consultants, bankers and investment managers has made them cheerleaders for the concept (Cornell & Damodaran, 2020). A report from the Pension Research Council

(Lee, 2021) gathered evidence on the effectiveness of social-based value versus financially-relevant measures and concluded that financially-material factors should guide pension and investors on using ESG factors to meet investment objectives (Lee, 2021). The report concluded two possible scenarios: investors could be interested in the characteristics that help identify how companies contribute to societal outcomes or in the financial materiality focused on identifying the risks or opportunities for a company to create long-term financial value, regardless of their social values or goals. The report clarifies that ESG scores or ratings typically do not reflect both dimensions at the same time. Thus, investors need to decide which aspect of ESG they want to measure: the intention (the social dimension) or the effectiveness (how well methods measure the social dimension). On the other hand, CSR and ESG have been criticized for their labour and cost intensiveness, not necessarily translated into shareholder's short-term financial interests (Markopoulos et al., 2021). In effect, Cornell and Damodaran (2020) concluded that it is unclear who is benefiting from ESG, but for sure, consultants, ESG experts and ESG measurers are.

Another consequence of the current understanding of ESG being focused on risk and opportunities is that it is leaving aside the power dynamics generated by ESG indicators. The power dynamics are internal to the actors involved in the production and use of the ESG information as well as at the global level due to the political role that the production of the indicator has. Indicators can act as instruments to retain political power, to align different actors that have coordination problems, to occupy regulatory space and to maintain hegemony (Fornasari, 2020). The metrics involve a specific ideology of what sustainability means. The power to establish the reporting framework has the effect of claiming legitimacy and crystallizing a specific concept of sustainability as adequate. Therefore, the production of regulation through indicators can be an instrument to assert legitimacy – through the claim of advancing general social welfare – and to prevent extensive public regulation over issues that involve class conflict, distributional issues and the use of common goods. This implies that the regulatory space continues to be occupied by the reporting framework, and does not observe the dynamics of power that are underlying. ESG indicators have empowered stock exchanges to occupy the regulatory space and to align the diverging interests of corporations and investors, promoting and spreading a specific concept of sustainability linked to business risks and strategic opportunities (Fornasari, 2020). Daugaard (2020) also refers to this aspect of power imbalance explaining that, as developing countries need to satisfy criteria to access investment funds, and international financial firms and banks determine the indicators of the funds, wealthy countries could be dictating the direction of development in emerging countries, and therefore ESG

could be a source of domination. Similarly, Leins (2020) claimed that ESG is creating a new form of governmentality of markets. It started as a response to the 2008 financial crisis, but today is becoming a new ethical form of valuation with the ability to integrate social contention into the ethical order of the market, subordinating the broader implications of this to profit making. This becomes evident in the way that financial analysts operationalize the data so that they can treat all information in the same manner as they already treated financial and economic data. The concept of ESG, thus, provided them with a tool for breaking the link between efforts to incorporate environmental and social concerns into valuation, and creating a new normative approach discourse targeting to allow the emergence of new speculative opportunities and profit.

3. Problem statement and research questions

In the discussion of CSR discourses above, I presented the major critical and vastly-cited position of Banerjee (2008). However, as other CSR discourses have subsequently emerged or are perhaps contemporary to Banerjee, it is appropriate to analyse if these later discourses are altering the unequal power dynamics that Banerjee revealed were the result of the CSR concept and its implementation. Therefore, the main research question of this thesis is: ***How have CSR discourses of the last decade (2010-2020) changed the understanding of the relationship between business and society?*** Some secondary research questions are: How have the emerging CSR discourses reshaped ideas around what should be the purpose of CSR? Who should define this? Moreover, who should benefit from CSR actions? To address these research questions, I developed a set of chapters with the aim of describing each discourse and to represent the voices of their main proponents. Table 1 depicts the main features of the research questions and the CSR discourses I will analyse by presenting specific chapters in this thesis.

Table 1. Overview of research questions, gaps and methods used in chapters

Main research question
How has CSR discourses of the last decade (2010-2020) changed the understanding of the relationship between business and society?

Secondary research question
How have the emerging CSR discourses reshaped ideas around what the main purpose of CSR should be, who should define this, and who should benefit from CSR actions?

CSR Discourses	Stakeholder view	Core message	Research gap	Method
Quantitative measurement of CSR programs	CSR and community managers	Businesses can prove the positive social impact of their CSR programs	What is the current interest, knowledge and methods approach of CSR program impact evaluation in Latin American companies and corporate foundations	A survey of 115 companies and foundations across 15 countries in Latin America. Identification of variables was based on a desktop review of international standards with evaluation guidelines (e.g. the GRI) and other evaluation methods.
Green economy	Multilateral organizations	Environmental promoters are seeking for new business models that take into consideration environmental protection and economic growth	How are SMEs business models aligned with a relevant green economy instrument: the Spanish 2030 Circular Economy Strategy.	Comparative case study analysis of six key sectors and companies in the context of the Spanish government's Circular Economy 2030 Strategy.
Political ecology	Local and Indigenous communities	Local communities in biodiversity-rich regions are actively defending their livelihood, their worldviews and their culture	Why managers of large mining operations in Latin America are failing to address conflicts with local communities. What is missing in their strategies to manage the arising conflict?	Qualitative multi-case study using interviews and secondary data collected from mining projects in Brazil, Chile, Mexico and Peru. I tested the applicability of the use of key concepts from political ecology in the situational analyses performed for companies.
Policy effects of social movements	Social movements	Social movements are building alternative views of development and social practices while aiming are policy and institutional change	How the exercise of counter-hegemonic cultural power contributed to the transformation of mining conflicts and policy at national and local levels during the Chilean 2019 social uprising.	Time-series case study, with data collection at several points in time: 2017, 2019, 2021, and 2022 including document collection, participant observation, photograph collection, and interviewing key informants. I utilized a constant comparative method to analyse the data.

Four specific CSR discourses are considered in detail in this PhD research and form the basis of the chapters (papers) of this thesis:

1. The discourse that guided the quantitative measurement approach to CSR programs, starting in 2017 (Chapter 2);
2. The discourse that was based around the green new deal in 2019 (Chapter 3),
3. The discourse of political ecology (which started in the 1970s and 1980s and renewed and expanded around 2007) (Chapter 4); and
4. The discourse regarding the role of social movements in policy change, especially as related to the extraction development model, with the consolidation of this field in the context of Latin America in 2018 (Chapter 5).

4. Research approach and methodology

The research for this PhD thesis used qualitative and quantitative methods. I used a grounded theory approach to combine different cycles of inductive and deductive research as manifested in the literature review and fieldwork (Gioia et al., 2013; Corley, 2015; Chun et al., 2019). Data collection was done using the terms used by interviewees. Interviews were undertaken in Spanish and Portuguese according to the language of the interviewee. The semi-structured design of the questionnaires allowed the inductive approach to be implemented during all phases of the process. Whenever possible, I conducted an iterative approach with multiple cycles, which included collecting data and identifying the relevant topics, comprehending the same in the literature by identifying the main definitions and later initiating the fieldwork process once again.

The thesis time scope is the decade from 2010 to 2020. This decade was established by two main elements: firstly, the publication of the theory I am using as a dominant theory in the article launched in 2008 by Banerjee, and secondly, the emergence and consolidation of the CSR discourses I am analysing in this thesis.

This thesis used a multi methods approach, meaning that I used interviews, a survey, participant observation, document analysis, and case studies analysis. Specifically:

- Together with a research colleague, I conducted 50 interviews with a range of people in different contexts to get a sense of the different perspectives (agricultural and Indigenous community members, policy makers, company executives, researchers, government officials, activists, NGOs representatives).
- Survey of 115 company executives in 15 Latin American countries.
- Participant observation was done several times during fieldwork and while interviewing people (fieldwork dairies).
- Discourse analysis/qualitative analysis of 652 textual, video and audio materials (news, press release, official documents, declarations, letters, communications, corporate presentations, web pages sections, notes from workshops and meetings attendance) relevant to the PhD case studies. The selection criterion used was to include every information in media, official docs, videos, interviews, seminars, papers referring to the research question in the national and local context of my case studies.
- Case studies of 5 specific mining projects and 6 SMEs in different selected industries.

The principles of ethical research (Vanclay et al., 2013) were followed and informed consent was obtained from all interviewees. Informed consent forms (in Spanish) were used in either printed or oral format. The use of the language of the interviewee during the conversations, and the fact that I did the translation of the quotes -being a native Spanish person and speaking Portuguese- aimed at preserving the original meaning of the interviewee comment. I used both private and public data sources. The data did not include any identifying information for executives, community members, public officers or firms. Results were only presented in an aggregate format.

Picture from a fieldwork site in La Higuera, Coquimbo, Chile (Chapter 5). Taken in 2019 by the author

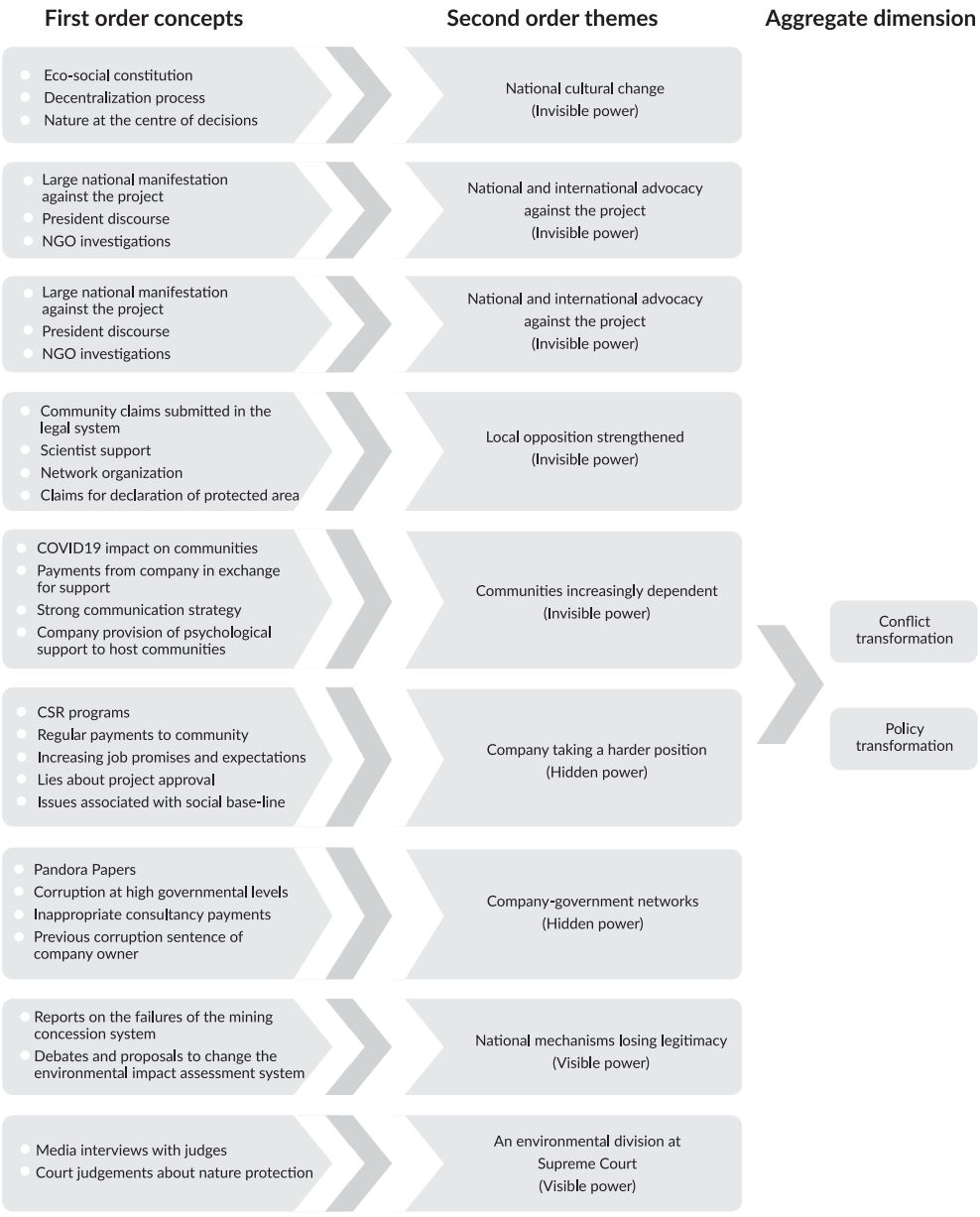
Picture of fieldwork in Punta Choros, Coquimbo, Chile (Chapter 5) in 2019 by the author

To analyse and interpret the data, I used the following strategies:

1 *Data analysis:* The information was coded according to Gioia et al. (2013) with Atlas Ti 8.0 and 9.0, organised in categories, with data structure procedure, and finally interpreted. For the coding process, I followed a few examples of papers in the research field such as "The Enduring State: An analysis of governance-making in three mining conflicts" (Maher et al., 2019); "I shot the sheriff: Irony, sarcasm and the changing nature of workplace resistance" (Alcadipani et al., 2018); and "Values against violence: Institutional change in societies dominated by organized crime" (Vaccaro & Palazzo, 2015).

2 *Data structure:* I organised data using the structure proposed by Gioia et al. (2013). Concepts came in first hand; the themes group concepts came in second hand and finally, themes were aggregated in dimensions-third order. Thus, the initial approach remains clear for readers in case they want to follow the author's reasoning towards results. An example of a coding tree can be found in Figure 1.

Figure 1: Example of coding tree



3 *Data interpretation:* I used the inductive method and grounded theory approach to interpret data. This means to start with one or more observation (concepts, themes, dimensions and inter-relationships) and try to identify an explanation for this observation – ideally the explanation was best or most likely to apply. In Chapter 5, I complemented this method with the idea of realist theories to identify all possible explanations and check on the ground what may be the most feasible explanation that could best explain the observations. Concretely, I came back to a few respondents to check if the explanations made sense. Additionally, I started conversations with colleagues from academia to receive feedback and improve my interpretation of results. I aimed to avoid the risk of 'going native', especially in Chapters 4 and 5. When using ethnography, as Gioia et al. (2013) explained, the researcher could position herself too close to the respondent´s view. As recommended, I had at least one co-author adopting an outsider perspective, a devil´s advocate, whose role was to critique interpretations that might look a little too gullible. Lastly, for each chapter, I decided that the discussion section should contains at least the following subdivisions: theoretical implications, practical effects, research limitations, and suggestions for future studies.

4 *Descriptive statistics:* Frequency tables and graphs were built out of the database of responses for Chapter 2. Interpretation of graphs and tables was included in order to guide the reader with complementary notes to understand statistical results. I used this technique for Chapter 2.

In pursuit of data relevance and validity, I used several techniques including: re-reading the full transcripts and initial analytical memos; looking for contextual evidence in the data; and keeping updated research field book that included relevant issues. Although I coded the data (i.e. data reduction), I did not replace the original detailed descriptions, elaboration of contexts, or specific examples, thereby the original wording of each interviewee was always available for cross-referencing (Linneberg & Korsgaard, 2019). The general purpose of my analysis was not to get inclined towards any particular informant's views but to maintain a high-level overall perspective, something that is necessary for informed theorizing (Gioia et al., 2013).

For sample selection, I considered the following selection criteria: In Chapter 2, I selected companies implementing CSR programs and those expressing their willingness to understand what monitoring and evaluation was and how to implement it. I had the

opportunity to apply a survey to 115 companies distributed across in 15 countries in Latin America. In Chapter 3, I selected six companies in Spain selected as exemplary in the economic activity defined as a priority for the Spain Circular Economy Strategy. In Chapter 4, the selection criterion was: a) the relevance of the companies in the economy of their countries, b) the presence of active anti-mining movements around the companies' operations, and c) the possibility to find existing data about the conflict. In Chapter 5, I selected a case study that allowed me to show how a new context in Chile (a social uprising) can influence the perceptions and positioning of the local groups. I undertook a longitudinal case study because I had the ability to collect data over 4 years.

4.1. Limitations of the research

The main limitation of the research is that I am not studying companies in general but only those involved in CSR programs evaluations, circular economy and socio-environmental conflicts because I had to select active companies to find results. If I would have selected a random sample of companies, the research questions would have focused on an exploratory study, but I was interested in understanding the complexities happening in the major themes of the thesis. In Chapter 2, I selected business leaders who are engaged in community affairs. However, I did not interview the community groups. A research gap for further development is what are the current results and impacts from the CSR programs and their effect in the community's quality of life. In Chapter 4, I interviewed business executives who have been a part of social conflicts and are actively working to address them, but I did not integrate the ones that are not working towards solving these conflicts. The reason is that the latter are unknown, therefore I was neither able to identify them, nor interview them. Other limitation in the scope of my research is that I did not include companies that might have conflicts but are not visibly active in addressing them. This could also be considered as a research gap that I could address in future research. In Chapter 5, the situation is similar. A colleague and I travelled to the communities and talked to local community leaders. To diminish the selection bias, I used a triangulation strategy: I opened up conversations with neighbours, but again this did not secure a random selection of observations, because I depended on their willingness to accept my questions. The main strategy used to overcome this selection bias problem was to analyse all possible secondary sources so at least, I am sure I have covered the opinions of my interviewees but also the ones expressed in public sources. On the other hand, I studied the mentioned actors by their own words therefore, I assumed their memory and honesty worked well. I also aimed at controlling this risk using the triangulation strategy, thus, by using media and secondary sources analysis in order to check data was true.

5. *Context and introduction to the chapters of the thesis*

Chapter 2: Impact Evaluation of Corporate Responsibility Programs takes into consideration how Esther Duflo and Abhijit Banerjee, by publishing *Poor Economics* (2011), radically changed the way of understanding and implementing evaluation of public policies and social programs. In 2003, the foundation of The Abdul Latif Jameel Poverty Action Lab (J-PAL) (2003) made quantitative measurement methods for policy evaluation more accessible and better explained to different audiences. With seven offices around the world, covering each continent, J-PAL started to influence governmental agencies showing that evidence can inform policymaking and public policy investment.

The new accessibility to quantitative methods to evaluate social programs resonated well with boards of directors demanding numbers to show the cost-benefit of company social investments. Thus, application of the quantitative methods gained interest among business executives. In this thesis, I analyse the corporate appetite for this type of evaluations and I connected the use of evaluations with the companies needs to gain the licence to operate.

In Chapter 3: Circular Economy and Business Model Innovation, I studied how EU countries are addressing the climate challenge with the Green New Deal framework, which includes '*A new Circular Economy Action Plan*' (European Commission, 2020). EU member states had the duty to create national plans giving specific priority to certain value chains. Spain selected six prioritised sectors and gave a clear focus in promoting the SMEs business model transformation. In this thesis chapter, I addressed the question around how are SMEs including the Spain Circular Economy Strategy in their business models. The main conclusion refers to the idea that SMEs face several challenges in adopting the new business models; however, the case studies confirmed that companies are adopting the Spanish well-defined priorities.

Chapters 3 and 4 are located in the Latin America context where the state relative absence allows the paying out of power imbalances (Calvano, 2008; Kemp et al., 2011; Gonzales-Gaudiano, 2016; Stoltenborg & Boelens, 2016; Conde & Le Billon, 2017). In these situations, businesses have a privileged position in negotiating their own interest and therefore can benefit when distributing the cost of extraction. However, as this phenomenon has led to conflict, in Chapters 3 and 4, I aim to bring the perspective of the stakeholders that are involved in these conflicts.

In Chapter 4: Conflict management in the extraction industries, I studied four socio-environmental conflicts that has been solved in the private arena rather than through state mediation and democratic procedures (Leifsen et al., 2017). When the institutional environment is weak, community dependence grows as neighbors become reliant on company support. Companies on their side solidify their legitimacy, as they reduce the risk that communities will engage with activists opposing the company (Taarup-Esbensen, 2019). While the literature of political ecology has developed extensively (Conde, 2017), the corporate conflict management field has been limited in providing efficient approaches to address conflicts. Thus, in this chapter, I aimed in understanding why Latin American managers are failing to address socio-environmental conflicts and which concepts are missing that can be provided by political ecology to better understand and address territorial conflicts.

In Chapter 5: Social revolution and mining projects, I studied the case of Chile, a context with a relevant presence of conflicts around mining and where the neoliberal state has shown a dual combination of dematerialized and materialised forms of state responsibility (Maher et al., 2019). Maher (et al., 2019). Chile has withdrawn from the scene of governance so that a flexible and less direct approach to resolution of conflicts can take place. At the same time, the Chilean state still retains its capacity to influence directly, unilaterally and visibly by relying on legal and administrative mechanisms available; for instance, through judicial ruling, contractual oversight and the command of security forces at the mining sites. Nonetheless, this small influence aims to preserve and support the consolidation of a mining governance, where exchanges between corporations and communities take place, on a deregulated space in terms of land/transport rights, social services and cultural issues (Maher et al., 2019). This is the context, in which a social uprising occurred in 2019, ending up in a reform process of the constitution still undergoing. The new constitution aims to limit the current privileged position of the elites' alliances, by setting up a new scenario where participation, pluri-ethnicity and nature are key priorities in the new text. I aim to describe how the counter-hegemonic bottom-up movement happening at the national level influenced a local conflict dynamic and the policy related to it, in order to, ultimately, understand how cultural power can transform conflicts and policies.

Table 2 depicts a summary of the main features of the chapters.

Table 2: Overview of objectives, approach, methods and findings of the chapters.

Paper Title	*Objectives*	*Theoretical approach*	*Methodology*
Chapter 2: The possibilities and limitations regarding the use of impact evaluation in CSR programs in Latin America	We aim to clarify to clarify the current interest, knowledge and methods approach of CSR program impact evaluation in Latin American companies and corporate foundations.	Quantitate evaluation of social programs	A survey of 115 companies and foundations across 15 countries in Latin America undertaken by the lead author in 2019. Identification of variables was based on a desktop review of international standards with evaluation guidelines (e.g. the GRI) and other evaluation methods.
Chapter 3: Circular Economy and Business Model Innovation	We aim at applying a widely used theoretical framework to analyse circular business models to recognise their characteristics while referring to Spanish SMEs and to understand how these models are aligned with the main institutional instrument in the country: the Spanish 2030 Circular Economy Strategy.	Circular economy business models	Comparative case study analysis of six key sectors and companies in the context of the Spanish government's Circular Economy 2030 Strategy.
Chapter 4: Conflict management in the extractive industries	To clarify why managers of large mining operations in Latin America fail to address conflicts with local communities, we seek to understand the conflict management approaches that companies undertake. Then, we establish what is missing in their strategies to adequately manage the conflict.	Political ecology	Qualitative multi-case study using interviews and secondary data we collected from mining projects in Brazil, Chile, Mexico and Peru. We tested the applicability of the use of key concepts from political ecology in the situation analyses performed for companies.
Chapter 5: Social revolution and mining projects: the potential role of cultural power in transforming mining conflict	Our aim was to describe how the exercise of counter-hegemonic cultural power contributes to the transformation of mining conflicts and policy at national and local levels. We investigated, at national and subnational levels, the playing out of cultural power during the 2019 social uprising, specifically in relation to the Dominga mining project.	Social movements and contentious action	Time-series case study, with data collection at several points in time: 2017, 2019, 2021, and 2022 including document collection, participant observation, photograph collection, and interviewing (44) key informants. We utilized a constant comparative method to analyse our data and to develop concepts through theoretical and emergent coding.

Main findings

1. Quantitative impact evaluation can address concerns about CSR program outcomes coming from companies and communities.
2. Monitoring and evaluation were linked to tracking program objectives rather than to making strategic decisions about innovations to achieve outcomes.
3. Decision making was based on the preferences of managers and/or in response to community demands.
4. The main challenges to increasing use of impact evaluation were the lack of skills and knowledge of management staff, and methodological complexities of impact evaluation designs.
5. If getting the social license is highly connected with the impact achieved by CSR programs, to include the return of the investment and participation in the evaluation process could improve the chances of projects to be accepted.
6. Quantitative evaluation methods could have significant impact by bringing evidence of the possibility of CSR to have favourable impact on society, information that would be valuable not only for business but also for governments, funding bodies, universities and the public in general.

1. Not only external affairs need to change, companies need to embrace how to address climate challenges. Alternative business models that aim at reducing the use of resources, waste, and emissions in the European Union have been considerably promoted.
2. Companies are learning by implementing and testing new business models. Main skills needed were digitalization and modelling, research and development, branding, marketing and the ability to create partnership schemes.
3. Companies need a framework of strategies to make their transition to a more sustainable and circular business model. The EU and Spanish framework can influence the SMEs technological advancement and their approach to climate change. Value capture for business depend on consumer education, marketing and branding and actions in this sense are isolated and driven individually by the companies. More private-public collaboration to face technological challenges as well as consumer awareness seem to be a priority.

1. Conflict management in the extractive industry is failing to secure operational continuity and social wellbeing. The management field is missing the progress made by other fields such as political ecology and environmental justice.
2. The primary factor explaining the failure of mining projects to address conflict is the short-term capitalist nature of global corporations, which do not consider the effects of conflict on society.
3. Inward-looking organization should increase respect for the rights of community members; improve understanding of the differences in worldviews and ontological values; and to come to a fair distribution of costs and benefit for extractive projects.
4. Companies will have to accept lower returns or simply close some projects in areas where communities will not further accept harm and damage to their natural environment and local way of living.
5. While conflict situational analyses tend to emphasize the technical, legal and economic aspects at project sites, we argue that a cultural understanding of conflict is essential.
6. Only through meaningful and proactive engagement with local communities and with a fair sharing of benefits will conflict be avoided and a genuine social licence to operate be obtained.

1. As changes in cultural power enacted by social movements are manifested in discourse and in beliefs, we claim that they can transform conflict and policy mainly by creating a new citizen ethos that can lead to a different power balance.
2. We found that bottom-up processes of change in cultural power can, through their national influence, also affect the subnational level, with consequences for the local conflict dynamic and policy making. Nevertheless, territorial realities (i.e. vulnerabilities) and the consequences of the COVID-19 pandemic limited the transformational potential at the local level.
3. Although cultural power can affect the conflict dynamic leaving the company socially and politically isolated, this does not necessarily imply that the hegemonic power of companies will always be altered by social mobilization.
4. To change cultural power, the strategies to be followed by the local social movements are: create a clear narrative about the story of extractive projects in the region; provide examples of other conflicts and degraded areas; and revive the local history of the area.
5. Gaining the license depend on the ability of companies to understand what are the diverse definitions of socio-ecological approaches for their different communities of interest.

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Chapter 2
Impact Evaluation of Corporate Responsibility Programs

Impact Evaluation of Corporate Responsibility Programs

Yanina Kowszyk (University of Groningen and University of Barcelona) and Frank Vanclay (University of Groningen)

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Abstract

We describe the level of interest, knowledge, skills, and methods used in impact evaluation of CSR programs in Latin America. A survey of 115 companies and foundations across 15 countries was undertaken in 2019. Results indicate that most respondents believed quantitative impact evaluation could address concerns about CSR program outcomes. However, monitoring and evaluation were seen to be linked to tracking program objectives rather than to making strategic decisions about innovations to achieve outcomes. Decision making was based on the preferences of managers and/or in response to community demands. The main challenges to increasing use of impact evaluation were the lack of skills and knowledge of management staff, and methodological complexities of impact evaluation designs. We conclude that greater use of methods proven to be effective in public policy and economics would be beneficial to the field of business and society.

Keywords: monitoring and evaluation; South America; program evaluation; Social License to Operate; corporate social investment; Corporate social responsibility

Impact Evaluation of Corporate Responsibility Programs

1. Introduction

Corporate Social Responsibility (CSR) is now rooted in the global business agenda as an umbrella term (Gond & Crane, 2010) for a variety of activities ranging from donations at the discretion of management without any expectation of return, to complex business and community partnerships that are integrated into business strategy (Matten & Moon, 2008). Even after Agenda 2030 and the Addis Ababa Agenda, which partly address the role of the private sector in the Sustainable Development Goals (SDG) (Scheyvens, 2016), CSR activities are still largely considered to be discretionary, as they are not mandated by law but are part of the voluntary commitments of companies (Laszlo & Cescau, 2017). A key challenge for CSR is to demonstrate whether CSR has an impact on social welfare and/or firm performance, which are critical aspects of current debate in the field of business and society, and research results are still mixed (Salem et al., 2012; Crane et al., 2017).

Supporters of CSR argue that expenditure on environmentally and socially responsible behaviour will return to the company over time (Porter & Kramer, 2006). However, some practitioners and researchers are sceptical (Weiser & Zadek, 2000), for instance Stříteská and Kubizňáková (2010) found that there is no consensus on whether CSR affects business competitiveness. How CSR affects corporate performance is not clear because CSR outcomes are hard to quantify and difficult to include in the financial return sheet (Stříteská & Kubizňáková, 2010; Salem et al., 2012). This lack of agreement together with its multiple and heterogeneous nature (Gond & Crane, 2010; Galant & Cadez, 2017) restricts identification of the costs and benefits of CSR (Stříteská & Kubizňáková, 2010). Measurement therefore could a key component in resolving disagreement between CSR sceptics and supporters.

There is growing interest among researchers in using quantitative methods to improve the measurement of the performance of CSR programs (Crane et al., 2017). Using a theory of change model, the goal of quantitative impact evaluation is to identify causal chains between project, program, or policy and the outcomes of interest (Otto & Ziegler, 2008; Vanclay, 2015; Gertler et al., 2016). In this paper, we consider impact evaluation to be the process of assessing the changes and outcomes (e.g. the well-being of individuals and communities) that can be attributed to a particular project, program, or policy (Vanclay, 2015; Gertler et al., 2016). Impact evaluation produces rigorous evidence about what works and what doesn't work (Duflo & Banerjee,

2011; Graafland & Smid, 2019) and has potential to catalyse evidence-based decision making (Duflo et al., 2007; Brook & Akin, 2019). Where meta-analysis (Teding van Berkhout & Malouff, 2016) is used, evaluation may reveal key information that might still be missing.

A key reason for companies to undertake effective impact evaluation is to improve their social license to operate (Vanclay & Hanna, 2019). Social license refers to the acceptance of a project by local stakeholders (Jijelava & Vanclay, 2017, 2018). Companies have a specific territorial interest in that they want to provide benefits to their local or host communities. Therefore, evaluating these programs to ensure that they are effective in meeting the needs of local communities is important (Esteves & Vanclay, 2009).

Greater use of experimental and quasi-experimental methods in evaluations within the field of public policy and development has increased the amount of evidence-based information available to decision makers (Crane et al., 2018). These methods could be used by businesses to evaluate the outcomes of their social investments (Crane et al., 2018). However, whether these methods would be acceptable to the business sector is unclear. There is little empirical evidence to establish if companies are aware of the benefits of quantitative methods, if they are using them, and what the main challenges to increasing their implementation are. There is also little information to clarify whether existing evidence of program effectiveness is influencing the decision-making of managers in charge of CSR programs. Much confusion remains about how decisions are taken, how to measure impacts, and how CSR programs impact on the local community's quality of life and company profits (Quiroz-Onate & Aitken, 2007). This confusion has implications for CSR practice, making it difficult for firms to conduct effective CSR due to misinformation about the results of their CSR activities (Epstein et al., 2015), which potentially constrains CSR budget allocations and creates a harmful gap between policy intentions and actual outcomes (Graafland & Smid, 2019).

Our research sought to clarify the level of current interest in, knowledge and skills about, and methods used in the impact evaluation of CSR programs in Latin America. This paper contributes to the field of business and society by clarifying how improved measurement could inform decision making and how this would be relevant to issues like social license. This main contribution of this research is to provide empirical evidence of the acceptance by the business sector of measuring the social outcomes of

CSR programs using quantitative methods. Our results establish that there is much possibility for research in the business and society arena to use those quantitative evaluation methods commonly used in the fields of public policy and economics. This could lead to theoretical developments that arise from empirical research (Gond & Crane, 2010). These evaluations could have significant impact by bringing evidence of the possibility of CSR to have favourable impact on society, information that would be valuable not only for business but also for governments, funding bodies, universities and the public in general.

2. Evaluating CSR programs

In the literature on CSR program evaluation that uses quantitative approaches, two main topics tend to be discussed: (1) the extent to which business executives are interested in impact evaluation, and (2) methodologies to measure impact, which we expand on below.

2.1. Interest in and knowledge about Effective Impact Evaluation of CSR programs

Undertaking evaluation to assess the effectiveness of CSR has the potential to identify a full range of program outcomes (Vanclay, 2015; Graafland, and & Smid, 2019). Positive outcomes provide strong messages to the Board members of companies about the power of CSR, thereby increasing their interest in CSR (Walker et al., 2013). As empirical studies have confirmed, CSR policies have a strong influence on CSR implementation, and CSR programs of high quality have strong influence on CSR outcomes (Graafland & Smid, 2019). Therefore, it is reasonable to expect that integrating knowledge about effective impact measurement into CSR policies and programs would have a positive effect on the impact of company CSR activities.

Although locating responsibility for CSR at the board level has proven to strengthen the quality of CSR programs (Graafland & Smid, 2019), the literature finds a lack of interest from senior level managers in measuring CSR outcomes (Arli & Cardeux, 2014). The main reasons for this are related to doubts about who will read the evaluation reports and the level of interest of stakeholders in such information. The lack of knowledge about evaluation contributes to resistance from senior management, which affects the rest of the management team.

Company managers may not have perceived that they benefit from evaluation (especially elaborate measurement), and typically they are only interested in their flagship

programs on which they spend much of their social investment budget (Arli & Cardeux, 2014). The absence of interest from high level management leads to assigning little time and resources to measurement activities. They may also consider that learning how to produce evaluations is a distraction from the normal daily activities of company staff (De Grosbois, 2016).

Research suggests that the main driver of a firm launching a CSR program is internal, not external (Arli & Cardeux, 2014; c.f. Hanna *et al.*, 2016; Vanclay & Hanna, 2019). In general, firms are focused on employees, especially about the company aiming to attract and retain the best staff (Arli & Cardeux, 2014). Companies are more likely to emphasise the dollars spent or time dedicated by staff volunteering on projects rather than discussing on the outcomes of a social initiative for a particular local community (Arli & Cadeaux, 2014). Research has also shown that there is a company orientation towards the return to business of company CSR expenditure, rather than on the social results or benefits to recipients (Crane *et al.*, 2017; Esteves et al., 2017).

A major challenge to advancing evaluation practice is the level of senior management support (Arli & Cardeux, 2014). An organization needs to be strategically committed to environmental management and good governance to reach positive results in terms of company performance (Escrig-Olmedo *et al.*, 2015). Having a clear idea about who is involved in decision making within a company and being able to analyse the drivers in commencing a social initiative could help identify why a company might decide to start measuring their program outcomes (Arli & Cardeux, 2014).

After reviewing the literature on interest in and knowledge about effective evaluations, we found that there is a missing link between CSR program evaluations and the concept of social license to operate. If evaluations are intended to increase stakeholder confidence in the legitimacy of corporate programs (Escrig-Olmedo *et al.*, 2015), they have the potential to enhance the company's social license to operate, which essentially has to do with community perceptions around a company's acceptability and legitimacy (Boutilier & Thomson 2011). Thus, the connection between implementing impact evaluation and social license would be an issue to clarify.

2.2. Evaluation methods

Over time, CSR measurement approaches have developed extensively, resulting in a wide variety of tools and guidelines (Epstein, 2003; Petcharat & Mula, 2012; Epstein & Yuthas, 2014; Pryshlakivsky & Searcy, 2017; Hervieux & Voltan, 2019). Table 1 shows that there are measurement approaches that are focused on company reputation, financial performance, or impact, and that there are multi-focussed approaches as well as various sets of indicators related to economic, legal and ethical issues. There are also organizational management systems, such as ISO (14001, 26000) and international standards, such as those promoted by international organisations, like United Nations.

Table 1: Various guidelines for measuring CSR

Focus	Objective, name of approach and key references
Reputation	• Reputational index by rating agencies (Arli & Cardeux, 2014; Quiroz-Onate & Aitken, 2007; Bissacco & Maccarrone, 2006). • Reputation performance (Khojastehpour & Johns, 2014; Knox & Maklan, 2004; Aravossis et al., 2008).
Financial performance	• Financial performance (Margolis & Walsh, 2003; Galant & Cadez, 2017; Orlitzky *et al*., 2003; Wang *et al*., 2016). • Non-financial risk management (Wong, 2014).
Impact	• Social and environmental effects of an infrastructure project in the landscape (Joyce et al., 2018; Jijelava & Vanclay, 2018; Vanclay et al., 2015; Walter *et al*., 2016; Smyth & Vanclay, 2017; Hansen et al., 2016; Agrawal et al., 2018; Bebbington et al., 2018; Ivanova et al., 2007; Petcharat & Mula, 2012; Barrow, 2002; Maas & Liket, 2011). • Effect of CSR and philanthropic projects (Arli & Cadeaux, 2014; Brice & Wegner, 1989; Burke & Logsdon, 1996; Maas & Liket, 2010; 2011; Rampersad, 2015; Brook & Akin, 2019) like Social Return of Investment (Solórzano-García *et al*., 2019; Sáenz, 2018; Yates & Marra, 2017; Arvidson *et al*., 2013; Krlev *et al*, 2013) and others.
Multi-focal	• Multi-focal performance measurement frameworks like the Balance Score Card (Crowther & Aras, 2008; Maas & Liket, 2011; De Oliveira & Giroletti, 2016) • Set of selected variables/indicators (Carroll & Brown, 2018; Nobrega & Candido, 2015) some of them building an index (Tarquinio et al., 2018; Zhou et al., 2013; Venturelli *et al*., 2017; Singh *et al*., 2009; Alamer *et al*., 2015) like Dow Jones Sustainability Index, Robeco SAM, Life Cycle indexes, material flow analysis (Windolph, 2011)
International Standards	• ISO14001, ISO 26000, UN Global Compact, Global Reporting Initiative (GRI) (Quiroz-Onate & Aitken, 2007; Giannarakis & Sariannidis, 2011; Vanclay & Hanna, 2019).

It is the argument of this paper that, using an effective measurement approach could bring evidence with long-term positive impact (Mass & Liket, 2011; Befani *et al.*, 2014) to improve community welfare and a company's ability to obtain a social license to operate. However, most CSR measurement tools and approaches tend to have fundamental design flaws, including variable measurement issues, potential confounding, presence of unobservable factors, low response rates, selection bias, response bias, and other survey biases (Crane *et al.*, 2017). Furthermore, designs do not always consider context-dependent variables (Hervieux & Voltan, 2019), and/or contain strong assumptions that ultimately cast doubt about the results.

Originating in the fields of medicine and economics, randomised control trials (RCTs) are now being widely used in the social sciences generally (Bédécarrats *et al.*, 2019). Arguably RCTs have the ability to address selection bias (Bédécarrats *et al.*, 2019). In our research, we analysed how companies measure the social outcomes of their CSR programs using quantitative methods. We follow Crane *et al.* (2017) who suggested that attention should be given to new research designs for casual inference, such as propensity score matching, regression discontinuity design and instrumental variables.

3. Methodology

The '*Evaluar para Innovar*' project (Evaluate then Innovate) was launched in 2018 by the social consulting firm, InnovacionAL, together with the Emerging Market Sustainability Dialogues (EMSD), which is a project of the German Agency for International Cooperation (GIZ), and Cemex (a global building materials company). The aim of *Evaluar para Innovar* was to build the capacity in CSR managers in Latin America to understand what outputs, outcomes and impacts of a program are, and how effective quantitative impact evaluation has the potential to improve the social welfare outcomes arising from their company's social investments. After eight months implementing the project activities, *Evaluar para Innovar* reached more than 200 companies and 14 business associations across 22 Latin American countries. The components of the project were a needs evaluation, a workshop in Salvador de Bahia (Brazil), a 10 module on-line training course, and a four-day, in-person training program. This paper considers the results of the needs evaluation, which was undertaken by the lead author between December 2018 and February 2019 in order to have a clear understanding of the needs of its target audience.

Identification of variables to be considered in the needs evaluation was based on a desktop review of international standards with evaluation guidelines (e.g. the GRI) and other evaluation methods and approaches. With information about variable categories and potential values, indicators were built. The main topics addressed in the questionnaire were: thematic areas of investment; decision making process; monitoring and evaluation practices; challenges; potential drivers; and factors that would contribute to advancing evaluation practice.

The target group for the survey comprised the companies and corporate foundations connected with *RedEAmerica* and *Forum Empresa*, both of which are business networks in Latin America dedicated to advancing corporate social responsibility and sustainable development. The firms and foundations that are members of these networks are already investing in community-based projects and CSR initiatives. Therefore, in interpreting the results of this research, it should be borne in mind that these firms already have a sensibility towards CSR and social issues. Prior to project commencement, a database of companies and foundations belonging RedEAmerica and Forum Empresa with 449 institutions in 15 countries. Ultimately, 86 companies and 29 corporate foundations participated in the needs assessment survey. Descriptive information of the sample is presented in Table 2.

Table 2: Sample characteristics (n=115)	
	N (%)
Type of organization [a]	**115**
Company	86 (75%)
Private foundation	29 (25%)
Economic activity [b]	**115**
Industry	56 (49%)
Services	40 (35%)
Commerce	19 (17%)
Position of respondent [c]	**115**
General manager	11 (10%)
Manager	40 (35%)
Chief	28 (24%)
Other	36 (31%)
Social programs [d]	**115**
Implementing programs	98 (85%)
Not implementing programs	17 (15%)
Thematic area of programs [e]	**340**
Education	80 (24%)
Environment	56 (16%)
Employment	51 (15%)
Health	33 (10%)
Sports	25 (7%)
Housing	24 (7%)
Arts	20 (6%)
Children	15 (4%)
Public policy	15 (4%)
Local development	8 (2%)
Gender	7 (2%)
Science	6 (2%)
Country [f]	**115**
Chile	19 (17%)
Honduras	18 (16%)
Panama	15 (13%)
Colombia	14 (12%)
Nicaragua	10 (9%)
Ecuador	9 (8%)
Bolivia	8 (7%)
Mexico	6 (5%)
Guatemala	3 (3%)
Brazil	3 (3%)
Argentina	3 (3%)
Dominican Republic	2 (2%)
Paraguay	2 (2%)
Peru	1 (1%)
Uruguay	1 (1%)
Spain	1 (1%)

4. Results

Reflecting on the literature and on the data collected, three core themes emerged: interest and knowledge about evaluation; methods used; and challenges faced in undertaking evaluation. The results are summarized in Table 3 and discussed below.

Table 3: Summary of key findings

Core theme 1: Interest and knowledge of CSR executives about effective impact evaluations
• 58% of respondents, design and implement social programs with internal staff • Supported causes are selected considering SDGs, territorial diagnosis results and external consultants' opinion. • Identified uses of evaluation results are: 81% to adjust the overall strategic planning of social investment; 79% to communicate results to relevant stakeholders; 64% to adjust the evaluated program; 64% to determine which programs to implement. • 83% of the institutions consider the impacts of their social projects are related to the company´s social license.
Core theme 2: Methodological approach
• 6% of companies/corporate foundations consider monitoring and evaluation results in making decisions regarding the continuity or need to innovate in their programs • Program continuity and adjustment are determined by manager´s resolutions (60%) and emerging demands from the community (53%) • 75% of interviewees reported being involved in monitoring and evaluation activities. • 74% reported to count with a team in charge of this task. • 58% of respondents do not know if their institution is using an experimental methodology for impact evaluation and 85% responded not knowing other methodologies being used.
Core theme 3: Challenges faced
• 85% lack knowledge, skills and experience to carry out evaluations, 65% methodologies are perceived as very complex, 49% lacks budget, 42% have no clarity on the evaluation benefits. • 11% respondents reported that getting support from the institution's management is a challenge • Training is expected to cover the following: how reliable methods work (80%), how to use the evaluation results (67%), and how to design programs that are coherent with impact evaluation requirements (70%)

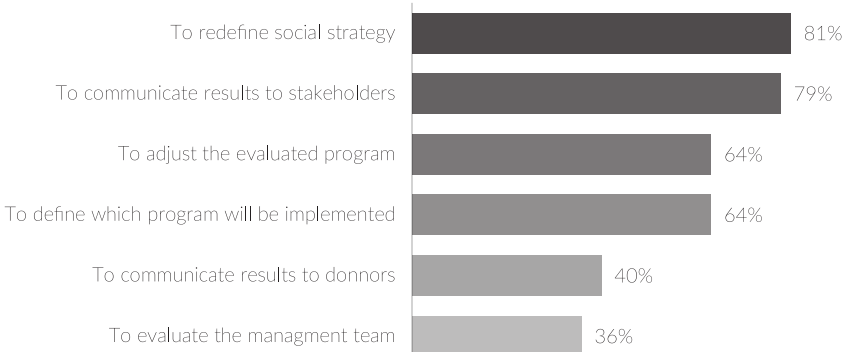
4.1. Core theme 1: Interest and knowledge of CSR Executives about Effective Impact Evaluations

Our sample show that social programs are designed and implemented by internal company/corporate foundation staff (58%), therefore their interest and knowledge about evaluations matters. In selecting the programs aims, respondents mentioned to be driven by the SDGs, territorial diagnosis results and external consultants' opinion. Most interviewees mentioned being aware of the lack of information to make decisions and showed interest in understanding what impact evaluation implies. Specifically, interest is focused in having impact results and measurements of the return on investment.

Data also shows a generalized confusion between the concepts of process, results, and impact evaluation, however, most respondents are aware of the existence of effective impact evaluations. The lack of clarity is also evident referring to methodologies as we will report below.

Despite this confusion, respondents recognized the uses of results from impact evaluation (see Figure 1) as being: adjusting the overall strategic planning of social investment; communicating the results to relevant stakeholders; adjusting the design and implementation of the program; and defining which programs to implement. Overall, the initial aims of evaluation refer to the internal and external validation of the social investment. In a second level of relevance, the orientation towards social welfare can be found, meaning the evaluation will allow checking if programs have the expected results in peoples´ life. An innovative comment was received on the possibility to use evaluations to create a new discourse of companies contributing on society.

Figure 1: How do you use the evaluation results? (n=71)



An interesting result in regards to the use of evaluations is that 83% of the institutions consider the impacts of their social projects are related to the company´s social license. In other words, good relations with the community and contribution of the company to the social context are a good basis for the company expecting to operate its business without problems. Impact measurement therefore could benefit the relationship between business and society, in other words, measuring programs could lead to better programs in the community opening a good scenario to achieve a social license. Nevertheless, understanding the relationship between measurement and social license requires more research.

4.2. Core theme 2: Methods used

In our sample, the percentage of companies/corporate foundations that consider monitoring and evaluation results to make decisions regarding the continuity or need to innovate in their programs is very low (6%). Decisions regarding continuity and/or adjustments to programs are made in instances or committees that are held with certain frequency and are taken based on process indicators. In other cases, decisions are based on manager´s resolutions and emerging demands from the community as it is showed in Figure 2. There is almost no mention to data and exiting evidence regarding evaluation results of comparable programs, and as shown managers training would be key to improve the use of data and evaluations in order to increase social positive effects of CSR programs.

Figure 2: How do you decide on continuity, change or innovation of your social programs? (n=71)

As reported before, although a low percentage of respondents mentioned to adjust the programs using monitoring and evaluation, when the inquiry referred to the types of evaluation they are implementing, 75% of interviewees reported being involved in monitoring and evaluation activities. In fact, 74% reported to count with a team in charge of this task. Evaluation and monitoring seems to be connected to tracking the program implementation but disconnected from program changes or innovations that require the senior level management participation (see Figure 2).

Regarding the type of evaluation, most reported to be implementing results measurement (90%), process evaluation (54%) and impact evaluations (50%). However, this result should be read considering that 57,5% of respondents do not know if their institution is using an experimental methodology for impact evaluation and 85% responded not knowing other methodologies being used. When requested to identify impact evaluation methods respondents indicated GRI, Global Compact, SDGs, Social Progress Index, B Assessment, Women Empowerment Principles of United Nations, whereas these guidelines refer to process indicators. Once again we find misinformation and confusion when referring to methods used for program evaluation.

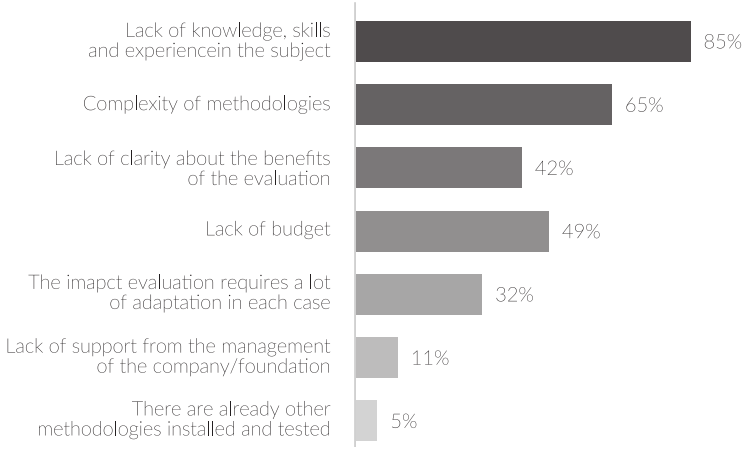
4.3. Core theme 3: Challenges faced and likely to restrict increasing use of Evaluation Practice

The main challenge mentioned for the implementation of impact evaluation is indisputably the methodological complexity that requires specific abilities (see Figure 3). Companies and business foundations do not have the knowledge, skills and experience to carry out this task. They perceive methodologies as very complex, followed by lack of budget that was linked to misinformation in regards to the budget for evaluating impact. A responded commented “evaluating could be as expensive as implementing a project”.

The lack of clarity on the benefits of evaluating is also relevant. This result could be related to the fact that respondents reported that programs are not generally linked to the core- business and change frequently. In other cases, companies sponsor a certain guideline and apply that measurement approach no matter what the result will be. If programs are not connected to the core- business or measurement is linked to sponsor an activity, it’s difficult that the measuring culture and the benefits of measuring become clear.

Getting support from the institution's management is not a big challenge (11%). Apparently, the issue becomes increasingly relevant in the eyes of the management and direction of companies and business foundations; social investment has moved to a more strategic perspective, increasing the link with the territory and the relevance of the impacts. Nonetheless, respondents mentioned high level management or CEO training on what impact measurement imply could bring allocation of resources and time. CEO commitment to evaluation has the chance to link corporate investments with real social changes in welfare benefiting the company´s social license.

Figure 3: What are the main challenges for quantification of the impact generated by your programs? (n=45)



Finally, we found a clear claim for learning how reliable methodologies work, how to use the evaluation results and how to design programs that are coherent with impact evaluation requirements (defining good indicators, monitoring step by step, among others). The expectation to match programs outcomes with global goals like the SDGs was mentioned several times. This suggests that training should focus on the entire project cycle linking the project goals with global ones and facilitating the evaluation from the designing moment of the initiatives.

5. Discussion

This research aim is to clarify the current interest, knowledge and methods approach of CSR program impact evaluation in Latin American companies and corporate foundations. In brief, the results indicate that most respondents believe quantitative impact evaluations could answer the common concerns about CSR programs impacts in

the society. Secondly, monitoring and evaluation is linked to track program advances more than connected to the decision making on CSR, which is based on managers and community preferences. Thirdly, the main challenge for increasing the amount of impact evaluation is the lack of skills and knowledge of management team due to methodological complexities of impact evaluation designs.

Our first finding supports the previous identification in the literature of a need for social impact methods that truly measure impact, take an output orientation and concentrate on long term effects (Mass & Liket, 2011). Even there is confusion on impact evaluation key concepts and methods, most respondents believe quantitative impact evaluations could answer the common concerns about CSR programs impacts in the society. Therefore, increasing the evaluation culture and exercise could bring additional key contributions however, it is necessary to clarify concepts, transfer methodologies and sensitize companies and business foundations in relation to the relevance of monitoring and impact evaluation and the uses of the results.

The confusion of concepts and methods can be explained in consideration to the proliferation of CSR measurement tools and systems (Epstein, 2003; Epstein & Yuthas, 2014). It's interesting to connect this result with the idea of CSR becoming a disoriented paradigm due to its attempt to function as an umbrella concept (Gond & Crane, 2010). In the case of measurement tools and standards, it was probably due to their intention to provide a measurement solution for the overall CSR, that confusion emerged. Thus, in this research, we are proposing to separate and identify the specific value added of each tool and method.

Beyond the methodological issue, which is the main challenge literature had already identified (Crane *et al.*, 2017), with our results we now know that companies need to count with reliable and accurate information about the impacts of the programs for specific purposes: to adjust programs, improve the resource allocation, and communicate the results to the community and other relevant stakeholders. This reinforces the ultimate goal of evaluations pointed as getting a real positive impact (Befani *et al.*, 2014; Epstein & Yuthas, 2014).

Secondly, we found that decisions on program continuity or modification are based on emerging events or management decisions, rather than considering existing social interventions evidence. This could be linked to the fact that monitoring and evaluation practices are not generalized among firms in the sample. This results supports

the findings of Epstein (2003) referring to the low quality of CSR reports and their insufficient integration of social and environmental issues into the business culture.

In contrast with earlier research on the low management interest in social impact measuring (Arli and Cadeux, 2014), we found this is not a main challenge today for the companies in our sample. This could open a possibility to promote impact measurement policies (Graafland & Smid, 2019) that would certainly advance the practice in the field (Crane *et al.*¸ 2016). Installing corporate policies represent an achievement in itself (Graafland & Smid, 2019). If one considers that project implementation without policy guidance is blind, policies without implementation are empty (Graafland & Smid, 2019). Due to the complexity of the methodologies, it seems improbable that control from external stakeholders will check the validity of evaluation results, therefore, informed policies could help. By stating policies, companies subject themselves to them and initiate a process in which narratives can create a sense of conviction and rationality of action leading to implementation (Graafland & Smid, 2019). On the other hand, using high-quality implementation programs decreases the risk of visible and harmful gap between policies and impacts (Graafland & Smid, 2019).

The aforementioned interest from managers in evaluating social impact of their investments and the possibilities to set up guiding policies in this regards could be an issue of interest for policy makers in national and international level. If SDGs and Agenda Addis Abeba look after the engagement of the private sector in Agenda 2030 (Byiers, 2017), promoting measuring corporate policies sounds a useful mean to tight social investment with concrete and positive results.

The potential increase of evidence on social impact causality of programs (Otto & Ziegler, 2008) promoted by the private sector, could also have implications for founding institutions. If meta-analyses are possible after the increase of impact evaluations (Teding van Berkhout & Malouff, 2016), funding entities would count with information to fund projects addressing the missing link in the development field.

Thirdly, from this study results we can conclude that the main challenges to increase the amount of impact evaluations of social private interventions is the lack of skills and knowledge of management team members and the complexity of quantitative methodologies. However, there interest in learning and participating in training instances. Therefore, a practical implication of this results is a recommendation for industrial organizations, business schools' and network organizations to enhance

capacity building on evaluation in general, and specifically on effective impact evaluations. Nonetheless, the adaptation of training to the reality of the private sector is key. It is essential to raise awareness about the real meaning of social impact (Mass and Liket, 2011); what are the benefits of evaluating; when an impact evaluation is pertinent; how to prepare an evaluation budget and how to effectively use rigorous evidence (Graafland & Smid, 2019).

6. Conclusion

Considering the above mentioned results, this paper makes a contribution on providing empirical evidence of a fertile ground for business and society research production using evaluations methods mostly common in the fields of public policy and economy. A secondary contribution of this research is revelling that business executives find that quantitative evaluations have the potential to address the concern on the possibilities of CSR to have a favourable impact on society, however further research is needed.

This study brings light on the connection between social license to operate and CSR programs impacts, although, a deeper understanding on how measuring programs could enhance social license is needed. If getting the social license is highly connected with the impact achieved by the programs, we can conclude the return of the investment could imply that the design of the evaluation could include a variable of result referring to the social license.

Moreover, if social license refers to the acceptance of a project by local and other key, which normally requires that the project gain legal, social, and economic legitimacy stakeholders (Vanclay & Hanna, 2019), including participation in the evaluation process could improve the chances of a project to be accepted. Therefore, participatory evaluations could be an area for conceptual insight (Crane et al., 2016) that derives from our results. In fact, there is a concern in regards to participation while measuring the outcome of CSR initiatives (Crane et al., 2017) and this could be critical when referring to statistical results.

Additionally, in consideration of this favourable view of evaluations as a key resource for CSR, an inquiry on the possibilities and conditions of measuring to accelerate and enhance positive impacts could emerge. As we have little information today on com-

panies effectively measuring their programs even less information is available on the results of CSR programs on social welfare. With this data, we could further analyse if CSR is still connected to philanthropy or core-business related. In this case, studies could supplementary determine if this factor influence the welfare produced by the programs or their permanence in time. Ultimately, this could also make a contribution for the discussion between sceptics and in favour of CSR practices.

There are limitations to be considered when reading this research results. Firstly, the sample has selection bias. For sample framing a list of companies with their contact data was necessary. However, we needed companies with social programs and investments, therefore, companies affiliated to CSR networks were the best sampling framework. For this reason, generalization of results to the population of firms in Latin America (Shahzad & Sharfman, 2017) is not possible and any reading of the results should consider that these firms are already engaged in CSR activities and have an awareness of social issues.

Secondly, we used a semi-structured questionnaire. Participants were responding fixed questions rather than explaining how social impact should be measured or what type of methodologies they would prefer. Alternatively, an opened questionnaire would probably allow respondents to refer about the meaning of impact from the companies' point of view or the type of indicators they are requested to report to board members, key information this study is missing.

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Chapter 3
Circular Economy and Business Model Innovation: The key elements for a sustainable transition in Spain Circular Economy 2030

Circular Economy and Business Model Innovation: The key elements for a sustainable transition in Spain Circular Economy 2030

Yanina Kowszyk (University of Groningen and Universitat de Barcelona), Adeline Abou-Ali and Lizbeth Arroyo (Universitat de Barcelona)

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Abstract

In recent years, the Circular Economy has arisen as a crucial driver for sustainable development across all fields and notably in the academia, industry, and policymaking. The adoption of alternative models that aim at reducing the use of resources, waste, and emissions in the European Union have therefore considerably increased. Accordingly, the development of the concepts at the scientific level has also advanced rapidly, however the understanding of the mechanism of new theoretical frameworks can shed light in regards to companies' practices is still missing. Thus, in this chapter, through a comparative analysis of six key sectors and companies' cases, we aim at applying a widely used theoretical framework to analyse circular business models to recognise their characteristics while referring to Spanish SMEs and to understand how these models are aligned with the main institutional instrument in the country: the Spanish 2030 Circular Economy Strategy.

Keywords: Circular Economy, Business Model Innovation, Sustainable Transitions, Spain

Circular Economy and Business Model Innovation: The key elements for a sustainable transition in Spain Circular Economy 2030

1. Introduction

A growing societal pressure for more sustainable world has recently pushed countries and their governments to consider for the adoption of alternative models based on an ecological approach. In this sense, the Circular Economy (CE) has recently emerged as an essential perspective to a sustainable transition and has gained great importance on the agendas of policymakers (Brennan et al., 2015). This perspective has been reflected, in the development of the Chinese Circular Economy Promotion Law in 2009 (Lieder and Rashid, 2016) and a comprehensive European Circular Economy package by the European Commission in 2015 (European Commission, 2015). Academia has also seen the rise of studies centred on the Circular Economy and its development as an important field of research with an increase in the number of articles and journals dealing with it during the last decade (Geissdoerfer et al., 2017). Moreover, companies are also becoming aware of the opportunities residing in the Circular Economy and have started looking for possible ways to make their business more eco-responsible by implementing new business models. Indeed, circular business models appear as an important parameter and is needed to optimize by closing the resource loops, as well as to deal with key resources and climate challenges (Bocken et al., 2019). While a growing literature on circular business models is emerging, the main theoretical literature frameworks for the circular business model innovation (CBMI) analysis have not yet been applied to Spanish small and medium enterprises (SMEs).

Thus, this chapter proposes the framework developed by Bocken et. al. (2015, 2018) to help companies identify the key elements needed for a transition to a more sustainable business model, notably in the context of the Circular Economy strategic plan for 2030 adopted by the Spanish government. More specifically, this chapter seeks to answer the following research questions:

- What are the characteristics of the CBMI at the firm-level in key selected SMEs sectors in Spain?
- How these circular business models are aligned with the main institutional framework in the country with respect to Spanish 2030 Circular Economy Strategy?

Our contribution follows the research agenda proposed by Centobelly (et. al., 2020) in addressing the influence of political initiatives and regulatory frameworks in the adoption of circular economy in a given country, in this case, Spain. The result of our study shed a light on the practical implications while implementing and transitioning to a more sustainable business model of six case studies in Spain and how their practices aligned with the regulatory framework proposed by Spain.

This chapter is structured as follow. First, we review the theoretical background on which rthe current research is drafted, followed by, the context and methodology used and finally, the paper concludes with terminating remarks on the contributions.

2. Concepts and theory

The increasing relevance of sustainable development within governmental agendas is changing the rules of the game (Hall et al., 2010; Woolthuis et al., 2013). Policymakers' pursuit sustainability transitions to transform existing structures, institutions, cultures and practices towards more sustainable ones (Loorbach, 2010; Timmermans et al., 2014). Within the relevant actions included in the transition agenda, entrepreneurship plays a central role to solve sustainability issues through business activities and form a sustainable community (Hall et al., 2010; Soo Sung and Park, 2018). In fact, a key aspect to promote the development of CBMI is the establishment of normative regulations at the industry level, which depends on the dynamics and intensity of the interplay between policymakers and companies (Centobelli et. al., 2020). This means that at a larger extent, drivers or barriers for the circular economy transition will depend on national/regional contextual factors, which are closely connected with the public policies (Centobelli et. al., 2020).

In this context, the European Union (EU) have declared the need for academic research to face the environmental challenge, and specifically consider topics related to circular economy (Urbinati et. at., 2017). As a way to address the constant decline of the environment state, the circular economy approach has risen to the highest prominence in the last years (Lacy & Rutqvist, 2015). The reason behind this is the underlying fact that circular economy, as an alternative to linear economy, brings back environmental, social and financial benefits (Lewandowski, 2016). With the aim of preventing raw materials to be converted into waste, circular economy enables companies to create and capture value from including the "R" principles into the business

model: reusing, repairing, remanufacturing, or recycling (Centobelli et. at., 2020). At the firm level, the new model is a set of strategic decisions aiming to preserve the embedded environmental and economic value of a product or service into a system (Centobelli et. at., 2020).

In this chapter, the notion of CBMI is understood as innovating the business model to integrate, implement and capitalize on circular economy practices (Bocken et al., 2019). Such practices might centre on diverse aspects of the circular economy, as, for instance, product durability and design for product life extension, narrowing resource loops, and recycling initiatives to close the loop (Bocken et al., 2016).

However, as the topic is relatively new, the development of CBMI still faces several barriers at the firm-level (Franco, 2017; Hopkinson et al., 2018) and claims for fundamental adaptations of industrial processes and business models (Ferasso et al., 2020; Vermunt et al., 2019; Manninen et al., 2018; Bocken et al., 2016). The influence of circular economy on business models have attracted maximum attention of major research scholars in recent years (Centobelli et al., 2020; Ferasso et al., 2020). With the support of case studies (Hopkinson et al., 2018), archetypes (Sassanelli et al., 2019), typologies (Vermunt et al., 2019; Bocken et al., 2016) and model comparison (Lewandowski, 2016), the literature have clarified certain facts. It clearly determines the circular business models and strategies have, at least, the following determinants (Centobelli et al., 2020; Geissdoerfer et al., 2020; Lüdeke-Freund et al., 2019; Hopkinson et. al., 2018; Clauss, 2017; Planning, 2015; Teece, 2010; Osterwalder & Pigneur, 2010):

- Firms need to secure proactive management providing strategic direction for long-term. Manager are requested to believe, push the transformation of companies and lead the engagement of all the value chain.

- The enlargement and adaptation of stakeholders' network, adjusting the organizational structure and rethinking the relationship with the value chain partners is necessary. Although the organization-centric view is still predominant, the value network can bring the ecosystem view that can inform not only the new business model but also the new strategy.

- Backcasting, eco-design and the role of digital technologies are key to enhance sustainable competitiveness and smart growth.

» Improving the management system and the operational level to deal with trade-offs, tensions and opportunities will support the new business model.

» Marketing is needed to change the costumer culture. Not only to value the innovation efforts of the market but also to accept remanufactured products instead of keep on buying new ones. The second-hand market claims for a new branding of reuse goods with a progressively growing educated consumer base.

While a circular economy business model can deliver significant improvements, it requires managers and practitioners to acquire new knowledge and to develop additional skills (Hopkinson et. al., 2018) in order to engage into an experimental, iterative and transformative process with learning cycles and sustainability checks (Bocken et al., 2019). This would be one of the main underlying challenges in managing circular business models (Hopkinson et. al., 2018).

The iterative process includes different phases such as ideation, implementation and evaluation, and can result in various degrees of innovation, for example, a new activity added to a business model or a comprehensive change in various business model elements (Frankenberger et al., 2013). By rethinking how a company creates, delivers and captures value, the framework for CBMI developed by Bocken et al. (2015, 2018) can be viewed as a holistic approach that have being referred in the literature as a proven model for value creation with circular principles. In this chapter, the different components of the framework analysis for CBMI (Bocken et al. 2015, 2018) will be used to analyse a sample of SMEs in Spain and therefore are relevant to be considered:

a. the ***value proposition*** "provides measurable ecological and social value in concert with economic value" (Bocken et al., 2014). Defining the right value proposition could imply experimentation on the model to effectively start the transition of the business towards a more sustainable model (Bocken et al., 2021). This requires the development of sustainability innovation and iteration capability, the involvement of internal stakeholders and, finally, the external validation (Bocken et. al., 2018). However, due to the lack of methods and tools for experimenting and testing models, the on-going learning by doing process (Pieroni et. al., 2019) and the role of ecosystem partnerships have become relevant (Geissdoerfer et al., 2020).

b. The ***value creation and delivery*** represent how the firm is competing by demonstrating its way of doing business, describing its architecture, and defining its competitive advantage sources (Bocken et al. 2014). Therefore, compared with traditional business models, circular business model design requires a products-systemic perspective (Bocken et al., 2016). Value creation includes: maintenance of product and process, combination of resources and materials, purchasing upcycled waste, recycling of resources, dematerialization of products and on-demand production process (Centobelli et. al., 2020). Moreover, to ensure circular logistic loops, companies need to collaborate with different stakeholders allowing the maximization of products and materials value (Bocken et al., 2018). Hence, circular business models' value creation and delivery integrate multiple stakeholders in the innovation process, such as collaborators which might appear as different from value chain's conventional partners (Bocken et al.2018), ranging from technological parks and innovation centres to innovative start-ups.

c. the last element known as ***value capture*** refers to the revenue model. This means capitalizing additional revenue sources and intangibles, reducing costs and changing their structure and achieve value preservation (Centobelli et. al., 2020). An example of circular business model is the firm moving from selling only products to selling services (i.e. servitization), implying that initial investments will often be earned back after a gradual period. In this sense, it is important to bear in mind that it is still hard to find cost/benefit comparisons between linear and circular revenue models (Hopkinson et. al., 2018). Therefore, considerable innovation will be needed in financial information and models to permit companies to transition successfully to circular business models (Bocken et al., 2014). Coherently, these financial models will need to be considered in the policy framework or in the industry voluntary standards to drive costs down (Hopkinson et. al., 2018)

In this chapter, this framework is proposed to understand how companies create, propose, delivers and capture value in each of the action lines provided by the Spanish 2030 Circular Economy Strategy. Thus, demonstrating what are the changes in the business models that are necessary to integrate the circular economy approach in accordance with main policy instruments in the field.

3. Methodology

3.1. Research setting

This section has been developed in the context of the Spanish government's Circular Economy 2030 Strategy. This strategic plan aims at promoting "a new production and consumption model in which the value of products, materials and resources are maintained within the economy for as long as possible, with minimal waste and reusing as much as possible the waste that cannot be avoided. This strategy contributes to Spain's efforts to achieve a sustainable, decarbonized economy, which uses resources efficiently and is competitive. This strategy will be materialized in successive triennial action plans" (Circular Economy 2030, 2020).

For the design and implementation of the new CE 2030 Strategy, the High Commissioner has considered different frameworks at international, European and national level. Table 1 shows instruments and frameworks that have been considered to create the package of measures in regards to CE in the country.

Table 1. Frameworks adopted for CE transition in Spain

International	*European*	*Spanish*
The Paris Agreement (COP 21, 2015)	Europe 2020 strategy for smart, sustainable and inclusive growth. Flagship initiative: "Roadmap to a resource-efficient Europe".	2030 Circular Economy Spanish Strategy Draft version (Ministry of Agriculture, Fishing, Nutrition and Environment and Ministry of Economy, Industry and Competitiveness)
2030 Agenda for Sustainable Development	Seventh Environment Action Program (7th EAP), to make the EU a low-carbon, resource-efficient, environmentally friendly and competitive economy	Law proposal on Climate Change and Energy Transition (Ministry for Energy Transition)
Sustainable Development Goals- SDG 12	Circular Economy Action Plan. Package of measures for Circular Economy 2015 and 2018 including fifty-four actions on plastics, waste, chemical products, raw materials and a monitoring plan.	2030 Spanish Bioeconomy Strategy Horizon 2030 (Government of Spain)
New Urban Agenda - UN Habitat	Circular Economy Action Plan. Circular Economy Action Package 2015 and 2018. With fifty-four actions covering the entire cycle. Among which there are measures on plastics, waste, chemicals, critical raw materials, and a monitoring framework.	The Spanish Action Plan to implement the Agenda 2030 towards and Spanish Strategy of Sustainable Development includes a special policy to increase and accelerate the Sustainable Development Goals (SDGs) adoption. The Circular Economy Local Strategy Model (FEMP) refers to circularity with crosscutting policies on: new technologies development and adoption, sustainable public purchasing, transparency and participative governance. Spanish Urban Agenda, Ministry of Promotion, Macro Public Plan of Waste Management (PEMAR) 2016-2022.

Adapted from COTEC Foundation (2019)

From the presentation in December 2015 of the EU Action Plan for the Circular Economy in 2017, several legislative actions mainly linked to the field of waste have been developed. Table 2 illustrates several policy instruments for the CE promotion in Spain.

Table 2. Policy actions towards CE in Spain (2017-2020)

Policy actions	*Government level*	*Institutions responsible/ Leadership*
2030 Circular Economy Strategy	National	Ministry of Agriculture, Fishing, Nutrition and Environment and Ministry of Economy, Industry and Competitiveness, in collaboration with other ministries, the autonomous communities, and the Spanish Federation of Municipalities and Provinces (FEMP).
"Circular Economy Pact" (2017)	National	Ministry of Agriculture, Fishing, Nutrition and Environment
Law proposal on Climate Change and Energy Transition (draft submitted in 2018).	National	Parliament
Contracts Law	National	Parliament
"Green and Circular Economy Strategy"	Regional	Catalunya
Circular Economy Strategy Euskadi 2030	Regional	Euskadi
Andalusian Sustainable Development Strategy 2030	Regional	Andalusia

Adapted from COTEC Foundation (2019)

Based on the European Commission indicators used to assess progress towards a circular economy at the EU-level, Spain adopts the same indicators but includes greenhouse gas emissions. These indicators aim at measuring the public policies application, the sustainability and circularity systems adoption by the productive sector, and consumer's choice of products and services considering sustainability criteria (Circular Economy 2030, 2020). Hence, the government framework for follow-up, monitoring and assessment is based on ten indicators grouped in four stages and aspects of circular economy: 1) producers and consumers, 2) waste management, 3) secondary raw materials and 4) competitiveness and innovation. (Circular Economy 2030, 2020).

Furthermore, the Circular Economy 2030 plan includes the monitoring of six key sectors including construction; farming, fishing and forestry; industry in general; consumption goods; tourism; and textiles and garment in the following action lines (Circular Economy 2030, 2020):

- ***Production:*** "Conception, design, and manufacturing of a product that is easier to repair, with a longer useful life, which may be updated and which, at the end of its useful life, creates less waste or even recyclable (and of course free of harmful substances)."

- ***Consumption:*** "Reverting the current trend towards excessive consumption and gearing towards a more conscious consumption model that includes accessible services; this is a precondition to further prevention and reduction of waste, and, when appropriate, to promote adequate recycling."

- ***Waste management:*** "In a worldwide context in which raw materials are increasingly scarce and expensive, recycling just 37.1% of waste (the current rate in Spain) is, in itself, a waste of available resources; urgent action must be taken with regard to recovering and recycling."

- ***Secondary raw materials:*** "Using secondary raw materials allows making more sustainable use of natural resources, as well as enabling consumers to trust more conscious consumption models."

- ***Water reuse and purification:*** "This factor is included as an individual factor due to the importance of water in the Iberian Peninsula. Acknowledging its fundamental nature, it was decided to consider this aspect separately, beyond obtaining secondary raw materials, in recognition of its special significance in the Spanish economy and our leading position in water reuse".

- ***Awareness raising and participation:*** "Due to the special relevance of citizen's involvement in the progression towards a circular economy. On one hand, since citizens make decisions with regard to the products and services, they need to have information about them: an informed and conscious consumption is the only way towards waste hierarchy with a focus on prevention. On the other hand, domestic waste separation at the origin, both in households and in the service sector, is everyone's responsibility. Therefore, it is fundamental to involve the entire society so waste separation is carried out adequately facilitating better recycling practices which allows reaching the European goals."

» ***Research, innovation and competitiveness:*** "Research, innovation and competitiveness policies are core to the Strategy, so it made sense to address them in a separate section."

» ***Employment and training:*** "Training, development of new capacities adapted to new opportunities, training oriented to jobs arising from the transition towards a circular economy, job creation and improvement of already existing jobs require special policies, which are to play a very important role in the future Circular Economy".

Beyond the public efforts and measures, previous reports (COTEC, 2017) concluded that Circular Economy landscape in Spain and the initiatives in this area are still incipient, and that the measures adopted are mainly focused on downstream environmental policies such as management of waste, increased recycling and the reduction of landfills, supported by initiatives such as the Macro Public Plan of Waste Management (PEMAR, 2016-2022). In regards to the firm's adoption of the CE model, there is still a lack of uniformity in the measurement of practices (Baron et. al. 2020) and companies are still focused on complying with the law, cost savings, material provision and resource utilization and building a new image (Ormazabal et. al. 2018), instead of embedding a holistic perspective.

3.2. Research approach and cases selection

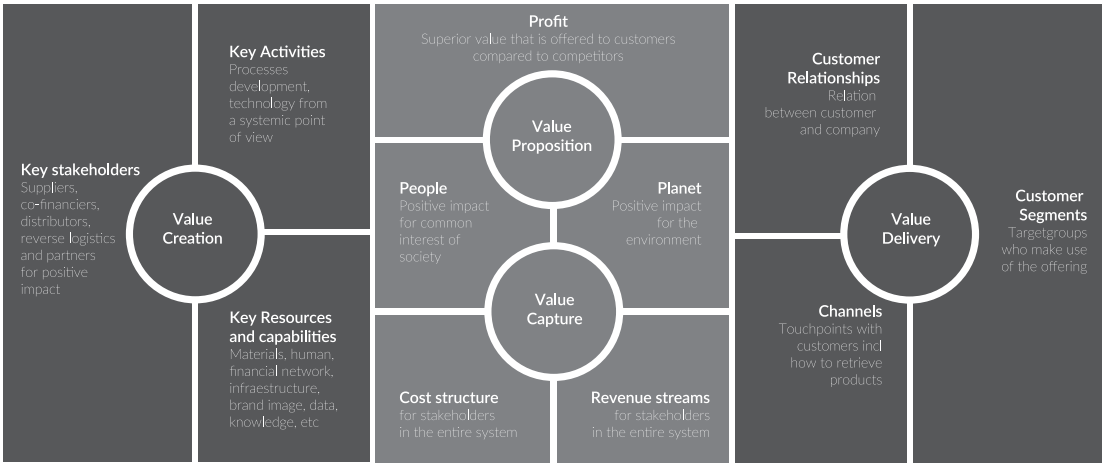
In this chapter, we adopted a qualitative approach, by realizing a comparative case study analysis. The strength of this research approach relies on the analysis of several cases to gain an in-depth understanding and insights from the phenomenon (Yin and Campbell, 2018). An explorative cross-case analysis allows us to study the similarities and differences between the six cases selected and that share a common institutional business framework, but developed different CBMI adoption strategies (Alshawaaf and Lee, 2020). We applied a content analysis for data collection purposes, using secondary data source (Pieroni, Mcaloone and Pigosso, 2020). Evidencing the interaction between institutions and companies, in relation with the principles of the Circular Economy 2030 plan, we identified the key elements used by companies to transition toward Circular Business Models (Bocken et al., 2018). The sampling process was based on specific criteria previously applied in the literature reviewed to develop this chapter. We here after describe more precisely the selection criteria applied to companies. First, the companies sampled must include different levels of maturity of transition to a sustainable business model, in addition of different companies' size and industry, in order to ensure the validity and reliability of the sample

(Bocken et al., 2018). Secondly, the companies must be SMEs that are or have been innovating their BMs to a more sustainable one, with the SME size including startups, micro-enterprises, small- or medium-sized enterprises, given the lack of representation of such companies in the current CE and sustainable BM literature (Heikkilä et al., 2018). Third, companies must develop their transition to a CBM in the Spanish context of the Circular Economy 2030 plan, as this research aims at showing a light on firms transition to a circular business model (CBM) in this specific institutional setting. Fourth, the BM that resulted from this transition had to be new to the firm, so that the CBMI was both highly present and clearly observable through the data collected (Pettigrew, 1990). Finally, the CBMI also had to be relatively new to its corresponding sector, representing a challenging opportunity, with uncertainty and few chances to be imitated by other firms (Rivkin, 2000).

An initial sample of 28 companies were defined, on which the selection criteria previously listed were applied, resulting in a final sample of six cases. Each case represents one of the economic sectors mentioned by the Circular Economy 2030 plan.

The companies' cases were mapped in accordance with the sustainable business model value proposition, value creation delivery, and value capture framework recognized in the circular and sustainable business model literature (Osterwalder and Pigneur, 2010; Bocken et al., 2013; Bocken et al., 2014, 2016, 2018) and more particularly following the sustainable business model (BM) Canvas developed by Bocken et al. (2015).

Figure 1. Sustainable BM Canvas



Adopted from Bocken et al., 2018.

We review the companies' webpages, social media, published interviews of companies' owners, sustainability experts, and consultants highlighting the value of these case studies and documents available online referring to them. Data collection was done during September/October 2021 by the authors who have qualitative analysis knowledge and experience and had worked with digital ethnography in the past.

Table 3 shows the companies cases selected and their characteristics. We, hereafter provide a short description of each cases selected.

Table 3. Description of selected six case study companies

Company name	*Founding date*	*Location*	*Size*	*Industry*	*Activities*
O11h	2020	Catalunya	Between 11-50	Construction	Creating a new type of construction company based on the latest advances in design, technology, industrialization, sustainability and health to deliver buildings faster, cheaper, more reliably and in a way that is both people- and environment-friendly.
Debuencafé	2015	Several Spanish cities	Between 1-10	Farming, fishing and foresting	Producing coffee in a sustainable way from production to consumption. Their coffee in capsules is 100% organic. The Organic Agriculture certification guarantees that their coffee takes care of the environment.
Ekorec	2012	País Vasco	120	Industry	Recycling, I&D, turnkey contracts, clean energy generation, water treatment.
Zicla	2005	Catalunya	Between 11-50	Consumer goods	Accessible, inclusive and friendly streets with small environmental footprint.
ECO-ONE	2020	Valencia	Between 1-10	Tourism	First company that proposes this sustainable service in the tourism industry. The company defends that sustainability goes hand in hand with profitability and believe that all hotels can be more sustainable by changing their habits.
Ecoalf	2009	Several Spanish cities	Between 100-500	Textile and garment	New generations will buy recycle clothing because they are aware that in 2050, we will have more plastic than fish in the ocean.

» *O11h*. Founded in 2020 in Barcelona, O11h is a construction company revolutionizing the sector through technology to create intelligent, high quality, healthy and sustainable buildings. It offers a turnkey construction service that includes design (architecture and engineering), procurement, manufacturing, construction and digital support for optimal property operation and maintenance.

» *Debuencafé*. Born in Madrid in 2015, Debuencafé is a Spanish coffee company, produces its coffee in a sustainable way from production to consumption. Their coffee, sold in compostable capsules, is 100% organic and Nespresso-compatible. The company seeks to become the flagship company for sustainability in the world of coffee capsules.

» *Ekorec*. Located in Andoain, Basque Country, is a reference in plastic's circular economy within Spain, especially in PET materials. Since 2012, it is specialized in recycling PET bottles using post-consumer and post-industrial waste. The resulting flakes (colour and transparent) are transformed into PET granule, agglomerate and PET sheet. The company's customers then use those materials to produce new packaging such us PET trays and bottles.

» *Zicla*. Since 2005, the Barcelona-based company have supported cities in their transformation process, needed so they can meet the challenges of the 21st century. The company works towards making cycling mobility safer and cities more accessible to all citizens by creating products manufactured using the waste generated by the cities themselves.

» *ECO-ONE*. Founded in 2020, the Valencia-based company has for main objective to help hotels on their path to sustainability under a single interlocutor and always recommending profitability and sustainability measures to the hotelier. Its vision rest on the belief that sustainability goes hand in hand with profitability and that all hotels can be more sustainable by changing their habits. Hence, the company has become hoteliers' free external sustainability agency.

» *Ecoalf*. Created in 2009, Ecoalf is a Madrid-based company specialized in stopping the careless use of natural resources by creating the first generation of recycled products possessing the same quality and design as the best non-recycled products on the fashion market.

4. Results

The analysis of the cases started with framing the circularity of each business model, which led to the definition and exploration of the different CBMI components for each company studied shown in Table 4. The results are organized using the literature framework of Value Proposition, Value Creation, Value Delivery and Value Capture, followed by how the components of these CBMI are aligned with the institutional Spanish Circular Economy 2030 Plan.

Table 4. Exploration of the circular business model innovation components of each case studied				
Company name	*Value proposition*	*Value creation*	*Value delivery*	*Value capture*
O11h	Creating a new type of construction company based on the latest advances in design, technology, industrialization, sustainability and health to deliver building faster, cheaper, more reliable and in a way which is both people- and environment-friendly	First company to offer such sustainable turnkey construction process and building in Spain.	Providing turnkey sustainable projects to customer.	One stop shop model
Debuencafé	Producing coffee in a sustainable way from production to consumption. Their coffee in capsules is 100% organic. The Organic Agriculture certification guarantees that their coffee takes care of the environment.	B Corp producing coffee in a sustainable way, their product coming from the earth and once consumed and used going back to earth.	Online, onsite and in some hotels, restaurants, bar, etc. which are partners.	Payment by products
Ekorec	Recycling, I&D, turnkey contracts, clean energy generation and water treatment.	Recycling with energy clean generation and water treatment allows the company to reach its customers with a high-quality product, that can be prepared and processed by customising to clients' needs	Focused relations with specific segments, creating products for their needs	Saving costs from energy and water consumption, payments made by customers
Zicla	Accessible, inclusive and friendly streets with small environmental footprint.	It caters to more accessible, inclusive, friendly, sustainable cities, where waste is brought back in the form of products that help solve their problems. Safe urban cycling and improvement of urban accessibility in general, and accessibility at bus stops in particular.	Studying, visiting, economic alternative analysis, project presentation, technical assistance and monitoring.	Payments for services & products
ECO-ONE	First company that proposes this sustainable service in the tourism industry. The company defends that sustainability goes hand in hand with profitability and believe that all hotels can be more sustainable by changing their habits.	The company provides hotels with a turnkey solution for a sustainable transition including eco management, eco design, eco efficiency and eco solution.	Accompanying hotels in their "eco-transition" through sustainable services offers.	Service model (payment by service)
Ecoalf	New generations will buy recycle clothing because they are aware that in 2050, we will have more plastic than fish in the ocean	From PET bottles to a 30 years jacket. From waste collection to a circular fishing industry. Products have the slogan "there is not planet b".	Clear target, strategy of customer relationship focused in sustainability. Clear and great number of channels.	Payment by products

4.1. Circular Value Proposition

We found that all companies in our sample have introduced different **innovations in their value proposition**:

- *O11h* is disrupting the traditional and long-time stagnating construction industry by developing a value proposition based on providing a more sustainable, faster, cheaper and more reliable way of constructing buildings using specific eco-friendly materials such as wood and ensuring a carbon neutral process.

- *Debuencafé* is changing the traditional farming, fishing and foresting industry linear value proposition by offering its customer a sustainable coffee ensuring a sustainable process from cultivation to encapsulation, and by reincorporating its products directly back into the nature.

- *Ecorec* is challenging the classical use of plastic in the traditional industry value proposition, by recycling PET bottles using post-consumer and post-industrial waste allowing for its customers to use the new material outcome to produce new packaging such us PET trays and bottles.

- Looking at the consumer goods industry, *Zicla* value proposition introduces waste as a source to solve problems in cities accessibility, by creating products manufactured using the waste generated by the cities themselves.

- The tourism industry, similar to the construction one, is still based on a very traditional value proposition offering classical hotels rooms products and services. However, *ECO-ONE* is challenging this traditional value proposition by offering hotels to help them in their sustainable transition, proposing them eco-friendly alternatives.

- Finally, the traditional fashion and garment industry value proposition of offering linearly produced products is being reconsidered, notably by companies such as *Ecoalf*, who developed a value proposition based on providing their customers with clothing produces out of ocean plastics.

4.2. Circular Value Creation

The companies studied shows the **development of specific key activities** in terms of processes development and technologies, which constitute a source of competitive advantage:

a. Developing research and innovation processes to find the solutions to issues such as material treatment, recycling, manufacturing practices, new products delivery (e.g., plastic flakes, low impact fibers), traffic segregation objects and lines, and management and operational systems for users and clients.

b. Mapping nature-based risks and opportunities throughout the value chain to understand how to address them and make the business model transition financially feasible and sustainable.

c. Standardizing innovative and circular processes such as construction, farming or recycling process, including predesign, parametrization, monitoring, facilitation, supporting implementers, customer returning process, among others.

d. Using technological and clean components or materials such as certified wood, biodegradable, recyclable, non-toxic and non-chemical materials.

e. Using renewable and clean energy sources and implementing operational practices to protect the atmosphere.

f. Integrating digitalization in the production, manufacturing, design and retail system.

g. Manufacturing and assembling customized items for clients and users.

h. Measuring, testing and controlling quality, by checking for potential errors implemented.

We also observed **specific resources and skills that contribute to the value creation** in our sample:

a. Digitalization and modelling from design to operation and maintenance, special engineering and farming abilities for ecological production, monitoring, evaluation and certification skills.

b. Research and development, evidence mapping, knowledge about trends in sustainable cities, health threat identification, new materials, processes, management systems, emerging natural-related energy sources.

c. Financial management, branding and marketing.

d. Partnerships schemes understanding and networking know-how, advocating and campaigning.

4.3. Circular Value Delivery

We found a **diversity of strategies** developed by companies to deliver value, ranging from turnkey projects and accompanying other businesses in their sustainable transition, to offering standardized and customized products online and onsite.

» At the customer segments level, the companies studied targeted specific customers that are aware and interested in sustainable projects or products. Some examples of customer targeted includes city halls, real estate and hotel operators, and consumers of sustainable products at industrial scale (such as manufacturers) or at the consumer level (such as sustainable conscious buyers at the national or international level).

» In terms of customer relations and touchpoints, the companies appeared to use: online (via website, platforms, social media, TED talks, videos, campaigns) or through onsite sales.

4.4. Circular Value Capture

At the cost structure level, the companies studied showed their way of investing in R&D to develop sustainable production processes or acquire specific technologies, as well as hiring skilled and specialized workforce to achieve their circular goals.

Regarding the companies' **revenue models**, we found that traditional revenue streams where still used, such as the "payment for a product" model, but also that new revenue schemes emerged in order for transition into a CBM. These models are the "service model" which is implying payments for services reflecting a certain servitization while transitioning to CBM, and the "one-stop shop" model which aims at providing the customers with all the products essential aspects so that it does not need to look for anything elsewhere, and which brings along energy, water and resource usage savings altogether.

4.5. Alignment with Spain Circular Economy 2030 Plan

In this section, Table 3 summarizes how each company includes actions in the line with the Spanish Government in its Circular Economy 2030 Plan action lines.

Table 5. Cases alignment with Spain Circular Economy 2030 Plan action lines										
Company	*Sector*	*Circular Specialization*	*CE 2030 Pan Action lines*							
			Production	*Consumption*	*Waste Management*	*Secondary Raw Materials*	*Waste Reuse and Purification*	*Awareness Raising and Participation*	*Research, innovation and competitiveness*	*Training and Development*
O11H	Construction	Digital design, building process, operation and maintenance. Industrialization of components.	√	√	√	√	√	√	√	√
Debuencafé	Farming, fishing and foresting	100% organic and nature positive. Supporting social risk groups.	√	√	√	√	√	√	√	√
Ekorec	Industry	Clean energy generation. Water treatment	√	√	√	√		√	√	√
Zicla	Consumer goods	Cities problem solution as a service and product: accessibility, traffic and mobility. Governmental support required.	√	√	√	√	√	√	√	
ECO-ONE	Tourism	Habits, routines and business practices changer. External sustainability agency. Distinctive revenue model with suppliers instead of clients.	√	√	√	√		√	√	
Ecoalf	Textile and garment	Environmental advocator and activist. Focused on young audience.	√	√	√	√	√	√	√	√

According to this comparative perspective of the cases:

» All companies shared the use of low impact materials, the standardization of their processes, the reduction of emissions, and R&D activities.

» Most of the companies also had local business partners, implemented recycling practices and customized their product/ services or offer turnkey projects.

» Just one company from the textile and garment industry implemented up-cycling processes and two have international certifications, one from the farming, fishing and foresting industry and the other one from the textile and garment sector.

In terms of economic sector:

» Our case in the construction sector, showed the industrialization of components and the digitalization of the design, building, operation and maintenance processes.

» In the Farming, fishing and foresting we identified nature-positive practices and a 100% organic production process. In this case, it is interesting to note the fact that due to the nature of its activity, the company has innovated to include and support groups in social risk.

» In the industry sector, we can report practices of clean energy and water treatment installed.

» In the consumer goods sector, the company in our sample is committed to solve long-term citizen problems along with the city's government by providing solutions in major current city hurdles such as accessibility, traffic and mobility.

» In the case of tourism, the company studied is committed to create a behavioural change towards a sustainability transition in hotels.

» In the textile and garment sector, the company studied uses several touchpoints with its clients to attract the ones who are part of a generation aware of climate change. In this case, the company's behaviour is similar to its customers, meaning that the company is a key activist in nature protection.

5. Discussion

In this chapter, we applied a framework for CBMI analysis to the study of six Spanish companies. In our sample, we did not find circular business model innovation addressing the entire meaning of the term, however, insights about particular strategies and actions reflect an incipient development of this type of BM in Spain. Moreover, some

insights can be gained from approaches such as the Lean Start-up (Ries, 2011) and recent research on circular business model experimentation (Bocken et al., 2015, 2018).

As observed in the companies' value proposition section, most of the companies are looking in for having a positive impact on the environment and society as a whole, joining previous research findings (Bocken et al. 2015, 2018). Additionally, our sample confirms the published results of Pieroni et. al. (2019) referring to the fact that companies are learning by implementing and testing new business models. This includes raising awareness among their customers and suppliers by advertising their action and value to differentiate from their competitors though highlighting environmental and social positive impact.

With respect to environment, we found companies in our sample using eco-friendly materials (e.g., wood), recycling supplies (e.g., PET bottles and other plastic waste), developing sustainable processes (e.g., zero emission, coffee cultivation or hotel management system) and reducing CO2 emissions (e.g., saving water and energy, reducing the use of fossil fuels energy consumption). We also observed a decline in the amount of generated or existing waste, dropping the plastic and artificial fibres consumption by offering recycled plastic and, introducing new products or services being more sustainable.

To ensure a positive impact on the society the companies in our sample, implemented actions, which are listed as follows:

1. Eliminating toxic materials in construction to ensure healthy infrastructure (e.g., O11h)
2. Supporting groups at risk of social exclusion and buying from national suppliers (e.g., making citizen mobility and city accessibility more inclusive (e.g., Zicla))
3. Reducing the ecological footprint of tourism (e.g., ECO-ONE) and, promoting gender equality, an altruism culture, and more responsible value chains.

With regards to value creation, the main capabilities identified in our sample are digitalization and modelling, research and development, branding, marketing and the ability to create partnership schemes (Geissdoerfer et al., 2020). The firms are espe-

cially conscious about the usage of water, as a key resource, during their production process, which is aligned to the water reuse and purification action aim in the Circular Economy 2030 plan.

Moreover, confirming the previous findings (Osterwalder & Pigneur, 2010; Bocken et al., 2018; Velter et al. 2020), specific stakeholders were recognized as key collaborators to help companies create the value for their sustainable business model. This includes industrial partners, international organizations, research and innovation centres, testing labs, think tanks, business associations, certification entities, health organizations, local farmers, professionals, waste collectors, fishermen, suppliers and distributors, impact investors, banks, city mayors and councils, among others.

At the value delivery level, companies should develop customer relationship that goes beyond the linear model of selling product and services by building a collaborating relationship, and by targeting specific customer segment which are aware and interested in sustainable projects or products. Companies should also use specific touchpoints such as online advertising to reach their sustainable goal and customer target, as observed in sustainable business model research (Bocken et al., 2018; Velter et al. 2020).

A best practice in terms of creating specific customer touchpoints design is Zicla. In this case, far from a retrieving model, the goal is building a long-term collaboration-based relation with their clients, in this case, city halls, to solve emerging problems that will create new business opportunities in a collaborative creation process.

Another best practice is the case of Ecoalf, which describes in detail the product retrieving process for their customers, notably including its environmental implications, not only by disclosing the economic results of the process, but also the environmental one.

A missing piece of information in our sample refers to transportation, which could be indicating a key challenge while designing a CBMI. In this sense, shipping and land transport seemed to be a hurdle in the process of creating a more sustainable approach.

Finally, regarding the value capture dimension, companies in our sample are investing in R&D focusing exclusively in processes innovation by using new technologies, and by employing and training their collaborators, which is also reflected in previous literature findings (Bocken et al., 2018; Geissdoerfer et al., 2020). as well as specified in action lines of Spanish government.

As previously discussed in the result section, the CBMI characteristics of our sample are aligned with the Spanish Circular 2030 Strategy. In the company set, there are some best practices to acknowledge:

» At the production level, remarkable eco-friendly product development are represented in the cases of *Debuencafé*, *O11h* and *Ecoalf*.

» At the consumption level, most of the companies in this chapter control their own material consumption by ensuring reverse logistics making their customers use the product or service without generating waste.

» The waste management action line is well put in place by companies such as *Zicla*, *Ecoalf or Debuencafé* whose products come from recycled product that can then be again recycled in turn by their customers.

» Companies such as *Zicla*, *Ecoalf*, *Debuencafé*, *ECO-ONE and O11h* understand correctly how to use secondary raw materials and ensures a sustainable use of natural resources.

6. Conclusion

In this chapter we applied the CBMI developed by Bocken et. al. (2015, 2018) to six case studies in Spain to understand the main characteristics of their business models and identify their alignment with the principal institutional framework in the country: the 2030 Circular Economy Strategy.

From our findings, we identified a key challenge in consumer education, marketing and branding. Value capture for business depend on these factors and actions in this sense are isolated and driven individually by the companies in the sample.

On the other hand, there may to be a progressive need for companies and policy makers to adapt and follow technological advances due to the potential high-tech competition led by big data and the use of artificial intelligence and its impact in cost reduction and potential redefinition of market players and leaders. In this sense, companies do not appear to be reacting together but separately and, although policies refer to digitalization, this seems far from building a solid country position in terms of technology acquisition and investment in key economic sectors. Therefore, more private-public collaboration to face technological challenges as well as consumer awareness seem to be a priority.

The insights brought by this chapter can be used to compare the impact of Circular Economy strategies implemented in each European country. In the case of Spain, recycling and waste management is significant in the policy context; however, this is not the case when refereeing to water use, transports and logistics. National and regional instruments are necessary to support industrial efforts if the development of circular value chains is a policy goal.

Future research can explore and focus on the co-ordination between business and policy-driven CBM development mechanisms and elements. In addition, further investigation can focus on how institutions could measure the efficiency of their sustainable policy through CBMI. Finally, future research could also focus on how CBMI processes influence positive social impact.

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Chapter 4
Conflict management in the extractive industries: A comparison of four mining projects in Latin America

Conflict management in the extractive industries: A comparison of four mining projects in Latin America

Yanina Kowszyk (University of Groningen), Frank Vanclay (University of Groningen) and Rajiv Maher (EGADE Business School Monterrey)

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Abstract

Increasing global demand for minerals has led to increasing socio-environmental conflicts in the mining sector. To understand why mining company managers (especially those in the areas of community relations, corporate affairs, social performance, and corporate social responsibility) fail to adequately manage conflict, we examined the conflict management approaches used by managers of large mining operations in Latin America. We interviewed a few managers per mine and analysed secondary data relating to the conflicts associated with the Nueva Unión (Chile), Peñasquito (Mexico), Vazante (Brazil), and Yanacocha (Peru) mines. We found that the conflict management style being used did not incorporate understandings from political ecology or environmental justice. We consider these perspectives could improve conflict management in the extractive industries, which would reduce the environmental and social impacts experienced by host communities, the cost of conflict borne by companies and communities, and would increase the social licence to operate of companies and their operations. We discuss various key issues including: worldviews and ontological differences; the distribution of costs and benefits from the extractive industries; power imbalance; corporate structure and strategy towards community and environmental issues; and the adequacy of the response of the national and international social justice systems.

Keywords: extractivism; social conflict; social license to operate; extractive industries and society; business and human rights; environmental, social and governance (ESG) factors.

Conflict management in the extractive industries: A comparison of four mining projects in Latin America

1. Introduction

The relationship between large-scale mining and development is contentious, especially considering that the benefits usually only go to a few people, with adverse social, environmental and economic impacts for the many (Silva, 2016; Ogwang et al., 2018; Melin, 2021). Although the consequences of mobilisation and protest by local communities can be severe for companies (Hanna et al., 2016a; Vanclay and Hanna, 2019) and the costs can be high (Franks et al., 2014), business executives and managers tend to lack the comprehensive understanding that would lead them to adopt an appropriate approach to conflict management (Watkins et al., 2017). Consequently, this paper considers the relevance to conflict management of a range of concepts derived from a political ecology, environmental justice perspective. We assess this relevance by examining conflict in the extractive industries in Latin America in general, and by closely examining four mines: Nueva Unión (Chile); Peñasquito (Mexico); Vazante (Brazil); and Yanacocha (Peru).

As has been observed by many scholars, resource wealth tends to be associated with contestation, social mobilisation, and conflict (Bebbington et al., 2008; Arce et al., 2018; Ogwang et al., 2019). Extractive industries are often located in places where there are disadvantaged and marginalised peoples. Although there are promises of economic development, local populations are increasingly opposing economic activities that pose unacceptable social or health risks (Muradian et al., 2010; Arsel et al., 2016; Hanna et al., 2016). With the number of incidents of conflict in mine settings continuing to rise (as amply evidenced by the EJ Atlas ***https://ejatlas.org/***), companies and communities continue to experience the serious consequences arising from this. For communities, conflict leads to a wide range of negative social impacts including: disruption to livelihoods; annoyance; fear, anxiety and uncertainty; criminalisation; and injury or loss of life (Hanna et al., 2016a; Vanclay and Hanna, 2019). In the worst cases, companies have commissioned or been complicit in the assassination of people protecting their lands, with some 200 environmental defenders being killed annually, mostly in Latin America (Scheidel et al., 2020). Companies can be impacted by high costs arising from project delays, lost production, and the additional costs associated with increased security and damage to property (Franks et al., 2014; Hanna et al., 2016b; Watkins et al., 2017; Kemp and Owen, 2020).

Despite increasing expectations for meaningful corporate social responsibility (CSR) (Kemp and Owen, 2020), companies typically don't address conflicts proactively, and often fail to respond in a meaningful way (Watkins et al., 2017; Vanclay and Hanna, 2019). Irrespective of whether this poor management is due to a lack of corporate interest, inadequate management systems, lack of capacity within companies, corporate greed, or other reason (Prenzel and Vanclay, 2014; Watkins et al., 2017), there is actually only a limited range of established strategies for managing conflict (Moomen, 2017). Many companies use techniques that exacerbate or escalate the conflict, for example by calling in the police or the army, or by posting declarations (or ultimatums) about issues related to the conflict on their website or sending them to their media contacts (Vanclay and Hanna, 2019). Although some companies use various forms of community engagement in response to conflict, this is often too little, too late, and in such situations the companies are still likely to experience increased costs (Watkins et al., 2017; Vanclay and Hanna, 2019). However, there is evidence that, increasingly, corporations are becoming aware of community reactions to their mining activities (Conde, 2017). The concept of social licence to operate (SLO), for example, is an expression used to encourage companies to be reflexive about their relationship with local communities (Santiago et al., 2021). SLO is a rhetorical device or metaphor that relates to the acceptability of a project to its local communities (Jijelava and Vanclay, 2017, 2018; Veenker and Vanclay, 2021). This acceptance is affected by the ability of the company to resolve disputes and transform relations towards positive outcomes. Given the cost of conflict to companies and communities, firms would benefit by being proactive in relation to conflict and in being mindful about what they need to do to get a SLO (Vanclay and Hanna, 2019; Veenker and Vanclay, 2021). However, firms are largely absent from the conflict management literature because conflict resolution scholars rarely address themselves to these actors (Melin, 2021).

Corporate conflict theories have tended to focus on: (1) conflict that is internal to the company, for example associated with personal relationships (Rahim, 2000; Rahim et al., 2000, Lam et al., 2007; Rahim and Katz, 2019); (2) cultural differences in relation to external stakeholders (Mohammed et al., 2008); and (3) conflict management styles or approaches (Rahim, 2002, 2010, 2018; Ma et al., 2008). Inadequate attention has been given to the management styles and strategies needed to address conflict between companies and communities, especially in the extractive industries. Although various papers have considered conflict in relation to company position on environmental protection (Ruokonen, 2021) or its CSR practices (Rodhouse and Vanclay, 2016; Kemp and Owen, 2020), limited attention has been given to the management of conflict that arises from the experience of negative environmental and social impacts.

Various critical CSR or political ecology writers have described how communities react to conflict (Bebbington et al., 2008; Walter and Martínez-Alier, 2010; Gustafsson, 2016; Hanna et al., 2016a; Conde, 2017; Dietz and Engels, 2017; Maher, 2019). It has been emphasised that there are value system contests between companies and the communities where they operate (Martinez-Alier, 2021). Some have argued that the public sector must play a stronger role in protecting citizens (Helwege, 2015; Arsel et al., 2016; Delamaza et al., 2017; Rodríguez-Labajos and Özkaynak, 2017; Taylor and Bonner, 2017). Many have argued for change in business structure and strategy towards environment and community affairs (Arsel et al., 2016; Haslam and Tanimoune, 2016; van der Ploeg and Vanclay, 2018; Kemp and Owen, 2020).

We believe that the conflict management field lacks insights that specifically address the mining sector. As political ecology has developed an extensive understanding of mining conflicts (Conde, 2017), it could contribute relevant concepts and key learnings to the conflict management field. If companies would undertake a situation analysis, this may lead them to adopt a conflict management approach. Nevertheless, despite some academic work (Franks et al., 2014), there still is a lack of understanding about the significance of conflict for the extractive industries (Ruokonen, 2021). This study therefore addresses two research questions: Why do managers fail to address conflicts that are associated with social and environmental issues of their mining operations? What new concepts should conflict management theories incorporate to better address mining conflicts in Latin America?

This empirical study considers the potential contributions of political ecology to conflict management. Using the interview data we collected from mining projects in Brazil, Chile, Mexico and Peru, we test the applicability of the use of key concepts from political ecology in the situation analyses performed for companies. We found that the primary factor explaining the failure of mining projects to address conflict is the short-term capitalist nature of global corporations, which do not consider the effects of conflict on society or even on their own business. The key concepts from the political ecology field we suggest should be integrated into the conflict management literature and practice are: worldviews and ontological differences; the distribution of costs and benefits from the extractive industries; power imbalance; corporate structure and strategy towards community and environmental issues; and the adequacy of the response of the national and international social justice systems.

2. Understanding conflict management in the extractive industries

Although conflict management is an established field (Ma et al., 2008; Prenzel and Vanclay, 2014), the conflict management literature has not adequately considered conflict in extractive projects, especially in regions that are complex. We argue that the use of a political ecology or environmental justice perspective of conflict would improve conflict management theories. Political ecology is a social science perspective that looks at the complex interactions between political, economic, social, governance, cultural, ecological and other factors in relation to environmental issues. It takes a specifically political (as opposed to apolitical) lens, in other words, it is a critical (or conflict-based) approach and is highly concerned with inequality. Some key writers defining the field of political ecology are: Forsyth (2003); Escobar (2006); Neumann (2009); Perreault et al. (2015); Bebbington et al. (2018); and Robbins (2020).

In this paper and in the context of the extractive industries, by 'conflict' we mean , for example in relation to use of the mineral resources themselves, the implications of mining activities for other natural resources (e.g. land, water, forest, cultural heritage), and/or on their lives and livelihoods (Kapelus et al., 2011; Prenzel and Vanclay, 2014; Conde, 2017). If corporate management does not change the way it deals with these issues, the level of conflict will only escalate (Vanclay and Hanna, 2019). To clarify why businesses fail to address conflict, we need to understand the conflict management approaches that companies undertake. Then, it will be possible to establish what is missing in their strategies regarding the management of conflict. Below, we describe what is known in the literature about conflict management approaches and about conflicts in the extractive industries from the perspective of political ecology.

2.1 Conflict management styles

This paper draws on the theories espoused by Rahim (2002, 2010, 2018), who analysed the effectiveness of corporate conflict approaches in solving problems. Rahim established that there were five styles or approaches used in conflict management: integrating; obliging; dominating; avoiding; and compromising. Table 1 summarises these five conflict styles.

Table 1: Overview of Rahim's conflict management styles					
	Integrating	*Obliging (subordinating)*	*Dominating*	*Avoiding*	*Compromising*
Focus of concern	The self and others	Low for the self and high for others	High for the self and low for others	Low for the self and others	Intermediate for the self and others
Strategy, goal	Problem solving, diagnosis of and intervention in the problems	Attempting to play down the differences and emphasising commonalities	Win–lose orientation or forcing behaviour to win one's position	Withdrawal or sidestepping	Temporary solution
Positions taken	Commitment is needed from parties for effective implementation of a solution	A party is in a position of weakness or believes that preserving relationship is important	A party aims to win often ignoring the needs and expectations of the other party	Failure to satisfy his or her own concern as well as the concern of the other party	Give-and-take whereby both parties give up something to make a mutually acceptable decision
When to apply	When one party alone cannot solve the problem. When synthesis of ideas is needed to come up with better solution. There is enough time for problem solving.	When a party is willing to give up something with the hope of getting some benefit from the other party when needed.	When dealing with subordinates or implementing an unpopular course of action. When the issues involved in the conflict are complex and there is enough time to make a good decision. Speedy decision is needed.	When the potential dysfunctional effect of confronting the other party outweighs the benefits of the resolution of conflict.	When parties are equally powerful and their goals are mutually exclusive
Problem solving procedure used	The skills and resources of the different parties are needed to solve their common problems	One party defines the solution (with the tacit acceptance of the other party)	The dominant party defines the solution (without the acceptance of the other party)	There is no procedure to solve the problem	The nature of compromise means that mutual satisfaction cannot be reached. Therefore any solution is likely to be only temporary.
Other labels used by scholars	Most effective; confronting; collaborating; problem solving	Accommodating	Forcing; competing; asserting	Withdrawal; most disruptive approach	Smoothing

(Source: authors)

2.2 Conflict from a political ecology perspective

This section presents the main concepts in political ecology theories that are potentially relevant to analysing conflict management approaches in the extractive industries, especially in Latin America. From a political ecology perspective, conflicts are regarded as being likely to occur when there is competition for resources (especially land or water) between the mining project and local communities, particularly when the parties have different goals, visions on development, and/or values (Jenkins, 2004; Walter and Martínez-Alier, 2010; Sudhakar, 2015; Avci, 2017; Conde, 2017; Martinez-Alier, 2021). When these differences lead to strongly divergent interpretations of events and to incompatibilities that block exploration of alternatives, conflicts are likely to become intractable (Shmueli et al., 2006).

Because conflicts are usually about goals, visions on development, or value systems, routine technical responses will be inappropriate and are likely to lead to the escalation of conflict (Munda, 2008; Vanclay and Hanna, 2019). In a technocratic context, terms, jargon, discourses and meanings are created and are used to disguise and devalue the local reality (Ijabadeniyi and Vanclay, 2020). Given the power imbalance between communities and corporations (Delamaza et al., 2017), 'languages of valuation' (Martinez-Alier, 2008; 2021) are imposed by companies on their neighbouring communities to control how nature is perceived and valued (Jenkins, 2004), reducing wider holistic understandings of the environment into monetary terms (Munda, 2008). This economic reductionism (Munda, 2008) has been very evident in mining conflicts in Latin America (Haslam and Tanimoune, 2016). For example, the conflict management strategies undertaken by firms are generally constructed around the alleged scarcity of economic opportunities in rural areas and the potentially influential role of mining companies in delivering economic growth. In using this logic, companies position themselves as the custodians of development (Duarte, 2011).

Corporate social investment programs potentially lead to a blurring of boundaries between firms, governments and communities, and may lead to unintended consequences that reduce the desired social development outcomes and the likelihood of gaining a social licence (Calvano, 2008; Esteves and Vanclay, 2009; Curran, 2017). In contrast, effective change to company culture and practices potentially would secure trust and support from host communities (Harvey, 2014; Vanclay and Hanna, 2019; Moreira et al., 2022). The corporate behaviours identified as leading to failed conflict management are associated with the way the companies relate to their neighbouring

communities, including: a transactional approach together with a hierarchical organisation; poor communication; negligible attempt to address power imbalance; limited effort to facilitate dialogue; and a lack of effective grievance redress mechanisms (Hilson, 2002; Kemp et al., 2011; Moreira et al., 2022).

Corporations typically consider local communities from the perspective of stakeholder logic, and deal with each stakeholder group separately (Frooman, 1999). These bilateral relations structure the options available to local communities and any community-based organisations (Busscher et al., 2019). Companies also frequently seek to undermine organised opposition, and reinforce clientelist practices (Bebbington, 2010; Vanclay and Hanna, 2019; Busscher et al., 2020). Companies also tend to frame community demands in terms of compensation and benefits rather than rights (Kemp and Vanclay, 2013; Gustafsson, 2016).

Company use of impression management techniques (Duarte, 2011; Vanclay and Hanna, 2019) and ambivalent positioning (e.g. executives accepting that the company has made minor operational faults but arguing that it still provides benefits) mean that some communities typically refrain from opposing them (Penman, 2016). Additionally, the use of neutralisation techniques, in which companies counter the agency of protest action, are used by mining companies to promote their interests (Vanclay and Hanna, 2019; Karidio and Talbot, 2020; Maher et al., 2021).

With staff often resisting attempts at organisational restructuring, which may lead to improved social performance, companies have difficulty in implementing any organisation change that may harm the short-term self-interest of the company or sections within it (Arsel et al., 2016; Kemp and Owen, 2020). Instead of shared value, or positive sum gains, negative reciprocity – i.e. when one party attempts to receive more benefits than the other – often occurs as a result of the strategic actions of influential people in the organisation (Sahlins, 1965). To avoid this, companies should have the right professionals and processes in place to ensure that there in institutional learning and knowledge retention (Rees et al., 2012; Esteves and Moreira, 2021).

Some companies have learned to collaborate with their host communities on topics of mutual interest (Fraser et al., 2021). Early participation by affected communities (Rodríguez-Labajos and Özkaynak, 2017), fair compensation (Conde, 2017) and local partnerships have been proposed as ways to reduce conflict (Hilson, 2002; Vanclay and Hanna, 2019). However, some authors (Maher, 2019; Banerjee et al., 2021) argue that mining–community conflicts are inherently political, and therefore, unless there is a fundamental change in power relations, there will be no change to the conflict. These authors generally argue that the state should have an active role in facilitating discussions around these political issues.

The notion that communities ought to control their own resources has been endorsed, not just by some academics, but also by some companies and some states (Conde, 2017). Networks of activism have been effective in leveraging the resistance against extractive projects by acting across local, regional and national scales (Hanna et al., 2016b; Conde, 2017; Delamaza et al., 2017; Walter and Wagner, 2021). However, business and elites continue to seek to influence how the extractive industries are governed (Bebbington et al., 2018). Effective policies and procedures at state and corporate level, especially transparency and grievance redress mechanisms, are important for creating the perception that fair solutions to conflicts are possible (Delamaza et al., 2017; Rodríguez-Labajos and Özkaynak, 2017). Some extractive companies use litigation as a mechanism to respond to conflict (Franks et al., 2014; Vanclay and Hanna, 2019). In such situations, the getting of justice depends on the determination of the justice system, which can range from being favourable to community interests, failing to provide adequate law enforcement against companies, failing to protect the rights of community members, to making decisions that favour the mining company.

The literature on the extractive industries in Latin America has revealed that there is: a lack of transparency; poor enforcement of environmental standards; insecure land tenure; disputes between national and regional governance bodies; irregular financial arrangements; poor distribution of royalties between local, regional and national governments; and state and corporate repression of protesters (Helwege, 2015; Rodríguez-Labajos and Özkaynak, 2017; Taylor and Bonner, 2017; Busscher et al., 2019, 2020). Dissent against the extractive industries is increasingly being criminalised, and

sometimes is prosecuted under anti-terrorism laws (Conde, 2017). Political mobilisation against the state tends not to be simply about challenging the development policies in favour of extractivism, but are also about state suppression of dissent (Arsel et al., 2016).

2.3 Key concepts and propositions from political ecology

In our analysis of the relevance of political ecology to enhancing conflict management approaches, we distilled the key recurring concepts in the literature. Then, using the data we collected from four mining projects in Latin America, we determined the applicability of these key concepts in terms of how they enhanced understanding of conflict. The key concepts we identified were: worldviews and ontological differences (C1); the distribution of costs and benefits of extractive industries (C2); power imbalance (C3); corporate structure and strategy towards community and environmental issues (C4); and the adequacy of the response of the national and international social justice systems (C5). Using these concepts, the following propositions can be developed:

1. If the worldviews and ontologies held by companies are incompatible with those held by communities, e.g. communities have a cultural value system but companies have an extractivist mindset, this will lead to escalation of conflict.

2. If there are no mechanisms to ensure a fair distribution of costs and benefits from the extractive industries (e.g. participatory decision making), the outcome will be escalation of conflict.

3. If communities are not treated as equals and respected, or if are excluded from participating in decision-making, this will lead to the escalation of the conflict.

4. If the corporate structure and strategy do not enable companies to learn from conflict, the outcome will be escalation of the conflict.

5. If the response of the national and international social justice systems are inadequate, this will lead to the escalation of the conflict.

Escalation of conflict means an increase in the number and change in the type of protest actions and retaliatory responses by the company and/or the state, leading to increased hostility, increased damage to buildings and property, increased injuries and deaths, and increased costs to all parties (Vanclay and Hanna, 2019).

3. Methodology

To validate our propositions, we undertook a multi-case case-study. Our research focused on mining in Latin America. Originally, 13 mining projects across Latin America were considered as possible contenders. After a preliminary assessment, ultimately, four mining projects were selected as our cases, based on various criteria, including: large size of operation; the mine was prone to some level of conflict; (notwithstanding the previous point) the case was indicative of large projects rather than being extreme, unusual or unique; and our ability to be able to interview company staff and access information about the mine. The four cases we selected were: Nueva Unión (Chile); Peñasquito (Mexico); Vazante/Nexa (Brazil); and Yanacocha (Peru). Table 2 presents background information about each mine.

Table 2: Description of the four mines studied in this research

	Nueva Unión (not yet operational)	*Peñasquito*	*Vazante*	*Yanacocha*
Primary Shareholder	Newmont Teck	Newmont Goldcorp	Votorantim Metais (also known as Nexa Resources)	Newmont Goldcorp, Buenaventura (Peru), and Sumitomo
Country	Chile	Mexico	Brazil	Peru
Method of operation	open pit	open pit	underground	open pit
Minerals being mined	Gold, copper, molybdenum	Gold, silver, zinc, lead	Zinc, copper, lead, silver	Gold, silver
Size	3rd largest greenfield project in Chile	Largest gold mine in Mexico and 5th largest in the world	5th largest producer of zinc in the world	Largest gold producer in Latin America, and 2nd largest in the world
Date established and current status	Initial preparation started in 2015. Project delayed but likely to proceed.	2007. Expected life to 2040 or beyond	1918. Expected life to 2040 or beyond	1990. The plan is to grow three times more than production in 2015–2020
Neighbouring communities	Diaguitas Indigenous group and other communities. 84,000 inhabitants in the valley	6000 inhabitants in 25 communities. Ejidos Cedros, Mazapil, Cerro Gordo y El Vergel	Various peasant, Indigenous, and quilombola communities	Given the scale of the project, around 120 communities are affected
Key papers discussing the mine	Lorca and Silva-Escobar, 2020; Mitchell et. al., 2021	Garibay et. al., 2011; Cabral et. al., 2014; Velázquez López Velarde et al., 2018	Revista Escola de Minas, 2012	Bury 2005; Pérez Mundaca, 2010; Sosa and Zwarteveen, 2012; Betancourth et. al., 2021

(Source: the authors, compiled from various information sources in the public domain)

Primary data were collected between March 2019 and May 2020. For each of the four cases, one or two face-to-face or online interviews were undertaken with the company managers in charge of the CSR area and/or responsible for implementing social programmes. The interviews were done in Spanish or Portuguese. The interviews were recorded and transcribed. All interviews were done in a manner consistent with ethical social research (Vanclay et al., 2013).

The interviews included three sets of open-ended questions. The first set included questions about the location of the operation and the neighbouring communities. The second set included questions relating to the company's CSR and community relations strategy, and the extent of the social licence to operate; for example, we asked how the strategy was developed; if community participation was part of the process; how CSR programs related to gaining a SLO? What the main challenges in implementing the program and obtaining and maintaining a SLO were? The final set involved questions about the conflicts experienced and approaches used to address them.

To complement the company manager view with other perspectives, we analysed 291 documents: 69 referring to Vazante, 66 about Peñasquito, 76 referring to Nueva Unión, and 157 about Yanacocha. These documents were in Spanish, Portuguese or English and were identified from the following sources:

» ***Academic perspective:*** selected by searching on Web of Science, Scopus, Csielo, CIPER académico, COES Chile, Pollen Network (network of political ecology researchers).

» ***Human rights and activist perspective:*** Business & Human Rights Resource Centre; Danish Institute of Human Rights; International Federation of Human Rights; The Latin American and the Caribbean Committee for Women Rights; Amnesty International and Transparency International in each country; Poder in México; Convoca Perú, Ojo Público and IDL reporteros in Perú. EJAtlas and OCMAL (conflict databases).

» ***Business perspective:*** RedEAmérica, Ethos/GIFE, Peru 2021, Accion Empresas, Cemefi, EITI in each country, GRI report of each company, International Council on Mining and Metals, World Bank, IFC, CommDev, Inter-American Development Bank, Forbes magazine.

This was a qualitative multi-case case study that sought to interpret the events, experiences and perspectives of the interviewed persons using a grounded theory model. First, we analysed the data to identify emergent or second-order codes. Because we needed to see how the interview data linked with our propositions, we grouped the 66 second-order codes under the five first-order codes that related to the concepts we developed from the literature. Table 3 provides the second order codes applied to each case. Coding and analysis of data was performed with Atlas-Ti 8. Although we maintained the full extracts from the original interviews and document extracts, to enable a better linkage with our set of concepts, we augmented the original extracts with summary statements. Our testing of the propositions comprised determining the extent to which the coding indicated positive linkages between the second order codes and the first order codes. We also analysed each case using the concepts, and in this process we were able to assign a conflict style that was taken by each project.

Table 3: The second order codes applied to each mine

	Worldviews and ontological differences	*Distribution of costs and benefits*	*Power imbalance*	*Corporate structure and strategy*	*Adequacy of the response of the national and international social justice system*
Nueva Unión	Sustainable transitions	Conflict and protest; Business impacts	Community governance; Sustainable transitions	Sustainable transitions; Company approach to conflict	Thrust; Dialogue with public sector
Peñasquito	Local complexities; Worldviews; Sustainable transitions	Community fear and tension; Mining accumulation by peasant dispossession; Women facing mining problems; Benefit distribution	Violence and uncertainty; Technical Knowledge; Conflict and protest	Transparency Partnerships; Thrust; Conflict and protest	Dialogue with public sector; state supporting mines
Vazante	Local complexities; Mining rejection; Sustainable transitions; SLO how; Benefit distribution	Balance between host communities and company; Business impacts; ROI	Balance between host communities and company; Conflict and protest; Governance structure	Company information; Community engagement; Dialogue with communities	Transparency; Community governance
Yanacocha	Sustainable transitions; Benefit distribution	Business impact; Benefit distribution; Local complexities	Community governance; Violence and uncertainty	Violence and uncertainty; Company approach to conflict; Community engagement	Dialogue with public sector

4. Results

Here we describe the conflict situation of each company according to the five key concepts we identified. The outcome to date of the conflict around each project with its neighbouring communities is also discussed. From this information, it is possible to deduce the likely conflict style that was adopted by each company (see Table 4).

Table 4: Conflict management style and the applicability of concepts from political ecology

Project and style	*Indicative quote for each of the 5 concepts (C1, C2, C3, C4, C5) (translated by the authors)*
Nueva Unión (avoiding)	***C1:*** 'The state decision-making process should be decentralized and participatory. Ecosystems have to be managed collectively as a component of culture' (NGO press release). The 'Huasco roadmap proposed by the company suggests the privatization and company take-over of state responsibilities' (NGO press release). On the other hand, 'in the company there is not willingness to accept responsibility for the accumulated environmental and social impacts in the territory' (interview). ***C2:*** The community is aware of extractive impacts due to the previous mega extractive projects. 'The company might have violated Convention 169' (NGO press release). ***C3:*** 'The community understand that their claims need to be secured by constitutional change' (NGO press release). ***C4:*** In the view of the company 'They [the community] do not forget an arrogant attitude, if [the company] don't appreciate the past history due to turnover in the community relations team, community engagement will be difficult (company interview). ***C5:*** Environmental and economic ministries differ in terms of their development visions. 'We are concerned about the history of judicialization and paralysation of projects, however we will comply with the legal framework' (Government document).
Peñasquito (dominating)	***C1:*** 'There are three positions [in the community]: ethics, aiming at rejection [of the project]; negotiated ethics, aiming to compensate [the community for loss]; and weak ethics, that will not complain if they receive personal benefits' (article). 'Land was not considered a community good, but only as an income-generating asset' (article). ***C2:*** 'From each $1000 income, … the community only got 18 cents' (NGO press release). ***C3:*** 'Social leaders have limited impact due to the lack of skills to build alliances, attract attention, and because of internal division' (article). For the company, 'dialogue is not possible. It is not a legal way to solve a conflict' (corporate document). ***C4:*** 'The commitment to employ local people and suppliers was breached when the company hired [a multinational company] (article). 'Mexico City non-profits provide social programs. The community is not organized except from the ejidos and the programs done through them [the ejidos] failed' (interview). ***C5:*** 'Peñasquito used double their water allowance. Then Conagua changed the numbers (of water in the reservoirs) in the official reports, and this created water shortages', 'This were classified as confidential' (online report).
Vazante (Integrating)	***C1:*** 'SLO is a daily exercise about building social capital and trust that will allow the community to understand if we have a little accident' (interview). ***C2:*** 'Loss of landscape, deforestation and loss of vegetation cover, biodiversity loss (EJAtlas)'. ***C3:*** 'Participatory Groups create local diagnoses and select income projects that will be supported. Projects are run by local cooperatives' (corporate document). 'If we win more than the communities, we will face a problem' (interview). ***C4:*** Institute is to secure the social DNA of the company and to advise the different operations (interview). ***C5:*** When a non extractivism scenario comes to the dialogue, the company show the tax that that should be used once the mine close (Interview).
Yanacocha (dominating)	***C1:*** 'Only a few believed that mining should cease, however; most wanted a resolution to their problems' (article). ***C2:*** 'After the last price boom, Yanacocha litigate and got their tax obligations reduced' (press release). 'Cajamarca represents 27% of mining investments and half of its population has basic uncovered needs' (press release). ***C3:*** 'Maxima received aggressive behaviour from the police in the attempt to make her leave her house. She was awarded the 2016 Goldman Environmental Prize' (press release) 'Amnesty reported the use of the justice system to harass activists' (press release). ***C4:*** 'Mercury spill provoked violent clashes. Kurlander's environmental auditor warned that executives could be subject to criminal prosecution and imprisonment' (press release). The company 'push forward with Conga project despite massive opposition and despite risks that do not accord with the IFC's Performance Standards' (article). ***C5:*** The company 'contracted the Peruvian National Police to receive private security service' (article). 'The process of appointing Manuel Vidal as an senior executive took months, but finally it did happen. However, a few weeks later Vidal was announced as the new environmental minister' (press release) [This is an indication of the revolving door between the extractive industries and government].

	Outcomes arising from the company's strategy
	'At the end of 2020, the company announced that it will delay the submission of the SIA' (corporate document). 'The community believes they have faced too many extractive conflicts already, it is not acceptable to have any more projects and conflicts' (press release)
	'We expect to increase production in the next 5 years (2020–2024) with supportive relationships with our 24 communities. Our relationships are not based on transactional deals, nor on any buy-offs because of blockades' (corporate document). 'In a context where the state is absent, peasants will continue to forfeit their land' (article).
	'Nexa aims to increase copper production and be the world's second largest zinc project' (press release). 'The company faced opposition in the beginning, but through building a joint plan, including jobs and local procurement, the community became integrated into and part of the business' (interview)
	'The company expects to grow and continue operations until 2039' (industry magazine). 'Communities have increased their use of force due to increasing distrust in the state response' (article).

Nueva Unión is a planned mine in the Choapa Valley in the north of Chile that, as at mid 2022, is currently still seeking regulatory approval, after having faced considerable delays. There has been long history of conflict in the valley, a relatively responsive state, and a company (Newmont) that has been rather zealous in pursuing its ambition. However, there is a highly organised community with strong cross-scalar alliances (Conde, 2017; Delamaza et al., 2017), a history of success of their collective actions, and a clear vision of a non-extractive future. The community clearly valued local quality of life rather than national economic growth (Muradian et al., 2010). It is a community that is politically astute and globally connected. From our analysis, it was obvious that, when there have been only minimal benefits to local communities from previous projects, there will be cumulative negative impacts and conflict, which will also affect current and future projects. We also found that, for this case at least, there was an effective response from the national institutions (Delamaza et al., 2017; Rodríguez-Labajos and Özkaynak, 2017) and access to justice. Overall, we considered that the company's strategy could be classified as being an avoiding style.

Peñasquito is a mine in the state of Zacateca in Mexico. Here, there were many factors that were conducive to conflict, including: a state that has been supporting big industry and failing to protect community interests; a shortage of water in the region, with excessive water being used by the mine; criminalisation of activism in order to suppress protest action; the hostile displacement of people to make way for the mine; regressive legislation; a lack of land justice; company-community agreements that are manifestly unfair and that were signed under adverse conditions; and the operation of organised crime. There are people living within very close proximity to the mine. It was evident that the company gave very little consideration to the community, negotiations were on an individual level using a clientelist logic (Bebbington, 2010). Instead of claims of rights, there were contestations around compensation, which has meant that a large number of low level demands have been put to the company (Gustafsson, 2016). The company exhibited a hierarchical business structure, and used technical language to address issues. It had poor communication strategies. The company's strategy can clearly be classified as being a dominating style.

Vazante is large underground mine in the state of Minas Gerais of Brazil. Vazante has had a long history of conflict, but in 2010, it employed a social scientist to lead its community relations function. This person brought in much skill and understanding

to the company, establishing the Instituto Votorantim to provide advice to all the business units of the company, especially around getting a strong social licence to operate from host communities. Over time, the company developed a positive relationship with its communities and with government. It has a transparent approach to all actions, including in relation to payments to government, taxes, and to host communities. It was also very clear about its future plans. Vazante was an example of a company that used an integrating style.

Yanacocha is a large open-cut, mountain-top gold mine in the Province of Cajamarca in the northeast of Peru. It is a highly controversial mine, especially because of the actions of environmental defenders (notably Máxima Acuña). The value of the ore reserve has made the company (Newmont) very keen to expand operations, which it has aggressively pursued and in the process has violated human rights through the use of excessive force and by hiring the national police (Conde, 2017; Taylor and Bonner, 2017). In the 1990s, much involuntary displacement occurred with inadequate compensation. Subsequent legal actions against the company have vindicated the community protesters. Unfortunately, by the time their claims had been upheld, their land had already disappeared into the mining pit. There has been a lack of transparency in relations with governmental authorities (Rodríguez-Labajos and Özkaynak, 2017). A comment that has often been made was the notion of the 'revolving door', which refers to the inappropriate alliance between government and company, manifested through exchanges including senior government staff getting jobs with the company and vice versa. Yanacocha is another example of a dominating style.

5. Discussion and conclusion

We wanted to understand why the extractive industries in Latin America have failed to adequately address the conflicts they have with local communities. From the political ecology literature, we identified five key concepts that should be considered in analyses of company-community conflict: worldviews and ontological differences; the distribution of costs and benefits from the extractive industries; power imbalance; corporate structure and strategy towards community and environmental issues; and the adequacy of the response of the national and international social justice systems. Our analysis of four mines across Latin America confirmed the applicability of these concepts to conflict in the extractive industries. We argue that company managers and consultants should consider these concepts in any situation analyses of project sites.

From our analysis of the conflict management style of each of the four mines, it is clear that they could easily be assigned to a style and that the set of styles were a reasonable and useful way of thinking about conflict management. These conflict management styles are well described in the literature (Rahim, 2001, 2010, 2018). Although none of our cases would be described as exhibiting the obliging or compromising styles, we believe that, overall, this was a useful framework and that each style is likely to be meaningful.

Using the four cases of mining projects, it is possible to consider whether our five propositions are supported or not. The propositions were:

1. If the worldviews and ontologies held by companies are incompatible with those held by communities, e.g. communities have a cultural value system but companies have an extractivist mindset, this will lead to escalation of conflict.

2. If there are no mechanisms to ensure a fair distribution of costs and benefits from the extractive industries (e.g. participatory budgeting, direct democracy), the outcome will be escalation of conflict.

3. If communities are not treated as equals, respected, or are excluded from participating in decision-making, this will lead to the escalation of the conflict.

4. If the corporate structure and strategy do not enable companies to learn from conflict, the outcome will be escalation of the conflict.

5. If the response of the national and international social justice systems are inadequate, this will lead to the escalation of the conflict.

In our view, Propositions 1 and 3 were supported by Peñasquito and Yanacocha cases; while Propositions 2, 4 and 5 were supported by the Nueva Unión, Peñasquito and Yanacocha cases. We believe that the use of political ecology concepts in conflict management theory is useful. While an effective conflict management approach (e.g. integrating) can greatly help in the relationship between a mining project and local communities, we strongly believe that where local communities do not accept the project, companies should respect this decision.

Situation analyses tend to emphasize the technical, legal and economic aspects at project sites. We argue that the company should take into consideration all social aspects as well. Conflict arises from fundamental disagreements about how nature should be valued, as well as from the deeper meanings associated with a wide range of issues, for example threats to livelihoods, ways of living, value systems, and the relationships among people, and between people and nature. How competing world-views for assessing value play out will also affect the social outcomes in terms of the level and severity of conflict that is experienced, as well as in the distribution of the costs and benefits from the operation of the extractive projects.

We also examined why companies and their managers fail in conflict management. From our empirical data, it was evident that a strategy of profit maximisation without any consideration being given to the consequences of this for local communities will lead to high levels of conflict. The key factor likely to lead to the failure of companies to adequately manage conflict is being an inward-looking organization that does not consider the severe effects conflicts have on their business or on society. In addition to strengthening the role of states in protecting citizens, a change in the behaviour of companies is needed in order to: increase respect for the rights of citizens; improve understanding of the differences in worldviews and ontological values; and to come to a fair distribution of costs and benefit for extractive projects.

Our paper contributed understanding about the relationship between companies and communities in the extractives sector. Without good social performance practice and the adequate addressing of environmental, social and governance issues, conflict will surely occur. Only through meaningful and proactive engagement with local communities and with a fair sharing of benefits will conflict be avoided and a genuine social licence to operate be obtained. The cost to communities and companies of not listening to local communities is very high, including death and destruction. Many companies have failed in addressing conflict because they had inappropriate worldviews and/or used outdated technocratic approaches. Conversely, effective companies have realised that community social issues are an inherent part of their operations, and thus they have provided adequate resources to ensure they can appropriately address these issues.

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Chapter 5

Social revolution and mining projects: The potential role of cultural power in transforming mining conflict

Social revolution and mining projects: The potential role of cultural power in transforming mining conflict

Yanina Kowszyk, Mariana Walter, Rajiv Maher and Frank Vanclay

Abstract

Latin America has experienced numerous mining conflicts, leading to a critical discourse around extractivism and to an increase in anti-mining movements seeking to promote social change and influence policy. Some movements have been successful, while others have not. Therefore, it is necessary to better understand how resistance to mining can achieve long-term meaningful social change. Although there is increasing knowledge about the strategies and political opportunity structures that have helped social movements achieve outcomes, there is still need for a better comprehension of how cultural power could be used to enable social change that would lead to reduced power imbalance and inequality, and to transforming conflict and policy. The social revolution in Chile in October 2019 provided an opportunity to analyze the processes of social change. We investigated, at national and subnational levels, the playing out of cultural power during the social uprising, specifically in relation to the Dominga mining project. We found that cultural power affected the conflict dynamic and led to significant policy outcomes at the national level (including a new constitution) and at the local level (including the implementation of a protected area, and the designation of two new Indigenous communities). However, the company largely did not change its strategy or behaviour, and arguably hardened its position. This ultimately led to it losing social and political support. We thus show how cultural power can lead to a groundswell transformation that has the potential to create a new citizen ethos, which could be the source of sustained change.

Keywords: extractive industries and society; social-environmental conflict; social movements; cultural power; corporate social responsibility; business ethics

Social revolution and mining projects: The potential role of cultural power in transforming mining conflict

1. Introduction

The rejection of large-scale mining has been increasing across Latin America (Bebbington, 2009; Walter & Urkidi, 2017; Curran, 2017; Von Redecker & Herzig, 2020; Regassa, 2021). Due to issues such as inequalities, lack of recognition of Indigenous rights, poor participatory and democratic mechanisms, as well as growing opposition to extractivist production systems, in some countries the demand for meaningful social and political change has reached the point where constitutional reform processes have been initiated (e.g., Bolivia, Colombia, Ecuador, and now Chile). Although these attempts did not necessarily change the prevailing extractivist development model towards a fairer and more socially and environmentally just system, by implementing changes in policy and institutions they did improve certain territorial realities and the distribution of power (Silva et al., 2018; Harris & Roa-Garcia, 2013; Gudynas, 2016; Locchi, 2017; Wolkmer, 2018; Álvez-Marín et al., 2021; Vela-Almeida et al., 2022). The policy and institutional changes are a manifestation and outcome of the widespread social change across Latin America, This was very evident in the social uprising in Chile in October 2019, which is known as the 18-O social revolution. This uprising, in which a social force erupted strongly saying 'No to the current order' (Atria, 2020), led to a process of developing a new constitution, which is being written by a gender-equal constitutional assembly of elected citizens, with a highly visible presence of Indigenous representatives, and with the stated vision of having an 'ecological and pluriversal constitution' (Berasaluce et al., 2021; Zúñiga-Fajuri et al., 2022).

The constitutional drafting process (which was still underway at the time writing this paper in mid 2022) started with agreement on key principles to guide the writing process. Two pertinent principles were: decentralization of the decision-making process towards the local level; and the application of a socio-ecological systems approach, meaning that nature rather than humans are to be at the centre of the constitution (Berasaluce et al., 2021). The demand for a new constitution in Chile came after more than 30 years of power imbalance, institutional rigidity, and a strong alliance between political and business elites, which led to elite capture, corruption, and a perception that the rich were looting (*saqueo*) the nation (Heiss, 2021). Before October 2019, no serious consideration was given by government to any of the political or economic concerns of the populace (Van Lier, 2019). However, with Chile's strong dependence on the revenue and employment from extractive activities, the current constitutional

reform is a power struggle over the appropriate model of development for Chile, in economic, social and cultural terms (Heiss, 2017). In our paper, we discuss how this power struggle plays out at a subnational or local level, which we do by looking at a specific planned mining operation, the Dominga mine, in the Coquimbo Region of Chile. Specifically, we analyse how the various forms of power influence mining conflict and policy change. We utilise a typology of power that includes visible, hidden and invisible power (Rodriguez & Inturias, 2018). In Chile, government institutions (visible power) were inefficient in addressing historical social claims. Concurrently, elite networks and actors (hidden power) were enabled so that they could inappropriately influence decision-making about public affairs (Heiss, 2017). However, a growing counter-hegemonic movement, a culturally rooted invisible power, mobilized and took strong actions (e.g. individual protesters putting their own lives at risk) to publicly demonstrate their demands. Ultimately, this led to a call to reform the constitution, which resulted in a referendum in October 2020, which passed resoundingly.

As the primary interest in our paper is with conflict in the extractive industries, we analysed two main bodies of literature. The first, the study of power, has primarily been concerned about understanding the types of power, how power agency works, the main characteristics of power imbalance, and strategies to transform conflict and create more environmental justice (Cheney et al., 2002; Armstrong & Bernstein, 2008; Furnaro, 2018; Rodriguez et al., 2015, Sehlin MacNeil, 2015; Georgallis, 2017, Rodriguez & Inturias, 2018; Berasaluce et al., 2021). The second body of literature is about the effects of anti-mining social movements on policy and institutions. This literature has two main sub-topics: (1) the strategies that influence policy (Bebbington & Bury, 2013; Silva et al., 2018; Silva, 2018; Arce et al., 2018; Silva & Rossi, 2019; Merlinsky, 2020); and (2) the 'political opportunity structures' or windows of opportunity that social movements can seize to introduce policy changes (McAdam et al., 1996; Renauld, 2016; Zachrisson & Lindahl, 2019; Walter & Wagner, 2021). Despite all this literature, more research is needed to improve understanding of the playing-out of the cultural power of social movements in extractive contexts, not only at the national level but also at the subnational level. This is what we do in our paper.

To study the processes of cultural power, we selected one of the most controversial conflicts in Chile in recent years, the Dominga Mining Project. Two of the authors undertook field work in the Dominga locality and collected data between 2017 and 2022. With our data covering the periods before and after the social uprising in Oc-

tober 2019, we are in a good position to study the changes in the conflict dynamic over time, and especially to be able to consider the influence of cultural power at the national level and how it plays out at the local level.

Similar to Rodriguez et al. (2015), Temper et al. (2018) and Rodriguez & Inturrias (2018), from our research we can confirm the usefulness for understanding conflict in the extractives context of a typology of power based on visible, hidden, and invisible power. The main contributions of our paper relate to the playing out of power in the context of extractive conflicts (Cheney et al., 2002; Armstrong & Bernstein, 2008; Sehlin MacNeil, 2015; Rodriguez et al., 2015; Georgallis, 2017; Rodriguez & Inturias, 2018; Furnaro, 2018, Berasaluce et al., 2021), and to research on contentious politics and social movements around extractives (McAdam et al., 1996; Bebbington & Bury, 2013; Renauld, 2016; Silva et al., 2018, Silva, 2018; Arce et al., 2018; Bebbington et al., 2018; Silva & Rossi, 2019; Zachrisson & Lindahl, 2019; Merlinsky, 2020). We found that cultural power can be transformational at the national level and can lead to including new narratives in policy making, which ultimately will lead to greater regulation of the extractives industry (Silva et al., 2018). In Chile, the exercise of cultural power led to a groundswell transformation that created a new citizen ethos and to a new constitution. Hopefully, this new ethos will lead to long-term sustainable change. At the subnational level, in the case of Dominga, the national discourse led to an empowering of local opposition groups, and to a change in power relations at the local level. Nevertheless, territorial realities (i.e. vulnerabilities) and the consequences of the COVID-19 pandemic limited the transformational potential at the local level.

2. Understanding power in the context of extractive conflicts

2.1. Different forms of power

Castells (2009) defined power as a relational capability to influence others in an asymmetric way. This capability enables one actor to pursue their own interests and values over other social actors, making asymmetry (for Castells) inherent to power. For Foucault, power is not centralized in one actor, but is a network with different levels, with each node and level having differing intensity and efficacy in the exercise of power (Foucault, 1977; Rojas Osorio, 2019). Power can be wielded both hegemonically and counter-hegemonically (Gaventa, 2003). Hegemonic power refers to the ability of power to be expressed pervasively across all aspects of society. In effect, it

means covert rather than overt power (Temper et al., 2018). Although power can be categorised in many ways (Gaventa, 1980), in this paper, we have chosen to utilize the framing of Rodriguez and Inturias (2018): visible, hidden and invisible. Invisible power operates hegemonically affecting society and culture, and thus it is also called cultural power (Rodriguez and Inturias, 2018).

Rodriguez and Inturias (2018) consider that **visible power** refers to the decision-making institutions, public policies, regulations, laws, and other issues of public interest. Power is also exercised in a **hidden** way by people and networks that seek to gain and maintain a privileged position and to secretly control the public agenda and decision making. Castells (2011) named this 'networked power', meaning the exercise of power over other actors by certain actors using the strength of their networks. Evidence of this form of power can be seen in institutional outcomes that obviously reflect the interests of dominant groups in society, such as corporations and right-wing think-tanks (Arikan et al., 2017). Power is also exercised in a cultural and **invisible** way, for example by creating or influencing narratives, worldviews, belief systems, knowledge and ideas that are incorporated into society and culture, and which are unquestionably assumed to be correct within society (Van Dijk, 2011; Llosa, 2019).

In response to the domination of hegemonic power, there are multiple forms of counter-hegemonic power, including strategies of resistance, acts of defiance, and direct action (Hanna et al., 2016). Counter-hegemonic power also includes bottom-up strategies of destabilization of the dominant vision of society and mode of development. At the extreme, counter-hegemonic movements might go beyond just resisting the capitalist growth machine to developing alternative forms of production and to conceiving alternative conceptualisations of nature-society relations (Karriem, 2009). Counter-hegemonic power typically arises whenever the forms of top-down power act together to control ideas and decisions and perpetuate environmental injustice. Therefore, in socio-environmental conflicts, social movements could actively design counter-hegemonic strategies that might advance their cause (Llosa, 2019; Gaventa, 2003). Counter-hegemonic actors should aim to confront the exercise of all three forms of power (Rodriguez & Inturias, 2018). Rodríguez et al. (2015), Hanna et al. (2016), Walter & Urkidi (2016), Temper et al. (2018) and Llosa (2019) list and discuss the strategies used by environmental justice movements to impact hegemonic power (Rodriguez & Inturias, 2018). These are outlined in Box 1.

BOX 1: Counter hegemonic strategies to impact the different forms of power

To impact visible power:

- Use confrontation to influence laws, policies and norms that were created without consultation and that do not properly adequately address the rights of people.
- Promote the use of democratic procedures such as plebiscites and referendum.
- Create new institutional arrangements with good representation of society, such as decision-making councils, co-management committees, roundtables or processes of consultation, or informed consent.

To impact hidden power:

- Strengthen the social movement organization and mobilization strategies to influence in policy and institutions.
- Create alliances with academia and activist to improve their negotiation skills.
- Develop protocols for consultation or free, prior and informed consent.
- Generate new knowledge about the aspects that are still uncertain (e.g., risk for health or agriculture) using for example monitoring systems.

To impact cultural power:

- Create counter-narratives and counter-discourses as a way the generating systemic change in cultural power, meaning, new meanings, norms and values by those not well represented in the current cultural power way of represent, protect and defend their identity
- Strengthen local cultural power and local identity thought reconstructing the local history and revitalising the local knowledge, building visions of the future.

(SOURCE: adapted from a range of sources, include Rodríguez et al. 2015; Rodriguez & Inturias, 2018; Temper et al., 2018; and Llosa, 2019).

A useful social transition to effect change would be to move from dominant and hegemonic power (i.e. the "power over") towards the power of agency (i.e. "power to"), which can be complemented with the ability to work together (i.e. the "power with") (Rodriguez et al., 2015). In the context of the power of agency, the issue is not who has power and who doesn't, but rather how those who don't can be included (Rodriguez & Inturias, 2018).

The important aspect of hegemonic and counter hegemonic power is how they influence discourses. From the perspective of Foucault (1979), discourse acts as a tool of power and is the result of power. Power and knowledge are articulated in a given discourse, thus discourses are tactical elements in power relationships (Leifsen et al, 2017). In every society, the production of discourses is "controlled, selected, organized, and distributed" (Daudi, 1983, p.278). The basis of all mining conflict is related to differences in discourses, narratives, and worldviews, thus a cultural dimension is at the essence of all conflict. Resource struggles are typically symbolic and identity struggles over the use of resources (Rodriguez et al., 2015).

2.2. Discussions of power in the context of extractive industries in Chile

Somma (2021) studied how the 18-O social revolution triggered disruptive power and affective power (i.e. the power that comes from the existence of emotions, especially in the relationships between actors). Somma observed that disruptive and affective forms of power were not controllable by the political, economic and military powers. In October 2019, the emergence and synergy between the disruptive and affective powers created a social uprising that led to a constitutional reform process being initiated, which will likely lead to further changes in power relations in Chile. Somma (2021) asserted the new constitution has and will create a decentralized form of power.

Furnaro (2018) studied power in the context of extractive industries in Chile. She found that hegemonic power was being exercised in Chile, not only by using coercion, but also by demobilizing dissent. In the Choapa Valley in northern Chile, a history of being co-opted, limited success in achieving social demands through conflict, and dependence on mining, have together led to a tacit consent from the communities regarding mining activities in the area. Furnaro claimed that the limited power of the community was related to the way hegemonic power operated. This suggests that the extractive companies used strategies to constrain opposition.

The idea of tacit consent is close to the notion of powerlessness, where an asymmetry of power relations is evident in communities affected by mining. Powerlessness is defined as a lack of control over one's own destiny. Powerlessness is the inability to 'play the game' and to be protected from foul play (Cheney et al., 2002). This powerlessness was also evident in the research of Maher (2019), who studied a specific mining operation in northern Chile. Mayer found that, in the process of negotiating a Community Development Agreement, the mining company squeezed the 'psychological freedom' of the community, meaning that the company engaged in various tactics to reduce the community's perceptions of options and to force them to accept the deal.

3. How social movements can influence policy

Many social movements have tried to influence policy and institutions, albeit with mixed results (Silva et al., 2018). While some social movements have been able to protect communities from extractive developments (Devlin & Yap, 2008; Peralta et al., 2015; Bebbington et al., 2018; Feoli, 2018; Haslam, 2018; Silva, 2018; Silva et al., 2018; Dietz, 2019; Merlinsky, 2020), others have not been successful, especially in terms of achieving fundamental change (Lagos & Blanco, 2010). However, as Vela-Almeida et al. (2022) signal, although these movements might not necessarily affect structural inequalities, their actions can still prompt a questioning of the current order. Therefore, it is desirable to have a greater knowledge of how social movements can be successful, for example to achieve policy change. This greater knowledge is, in effect, is the purpose of our paper. Examples of strong policy change that social movements might seek include the imposition of moratoria, bans, or the closure of controversial mining operations, and increased regulation and compliance oversight over mining activities (Walter & Wagner, 2021). However, it is noted that for these policy reforms to be effective, there needs to be an increase in state capacity, which is reflected in increased budgets, personnel, services offered, training, and new institutions (Silva et al., 2018; Kahangirwe & Vanclay, 2022).

Delamaza et al. (2017) and others have highlighted that extractive conflicts are becoming increasingly politicized. Silva (2018) showed how social movements have engaged with political parties and the policy process in order to affect the policy debate and its outcomes. An example of the influence of social movements was the creation in 2010 of a Ministry of Environment in Chile (Silva, 2018). Another example of the influence of social movements is their role in the development of a 'glacier protection policy', which now regulates mining projects that might directly impact any glacier in Chile (Haslam, 2018). Maillet and Carrasco (2022), however, have claimed that the

transformation of environmental institutions in Chile to date has only been superficial. Although post 18-O, the state has now withdrawn from supporting some newly proposed major mining projects, the state policy platform continues to be centred on economic growth and the persistence of an extractive regime. Consequently, the question of how and when social movements can meaningfully contribute to policy change still needs further research, not only at a national level, but also at the subnational and regional levels (Silva et al., 2018). Thus, our paper is very relevant.

4. Methodology

Our research was primarily a case study of a highly controversial mining project, the proposed Dominga Mine in the La Higuera Municipality in the Region of Coquimbo in northern Chile. The proposed mine, which is likely to cost USD 2.5 billion to become operational, is intended to produce iron and copper. The mine, which was first proposed in 2010, attracted much criticism in 2013 following the submission of a manifestly inadequate Environmental Impact Assessment report. Although the mine itself was not a primary contributing factor to the October 2019 social uprising, it is nonetheless highly representative of the issues reflected in the demands of the social movement around the uprising. More details about the case are provided below.

Our research on this topic first started in 2017. Initially, the paper was going to have been about the extent of participation of the host communities in the Environmental Impact Assessment being conducted for the Dominga mine. However, after the October 2019 social uprising, the national situation changed so dramatically that over the subsequent few years, the majority of news discussions, opinion pieces, and academic seminars have been about the effects of the social revolution. Therefore, we revised our research and the content of this paper. As indicated previously, our research is now about how the exercise of counter-hegemonic cultural power contributes to the transformation of mining conflicts and policy at national and local levels.

We used a grounded theory approach to iteratively combine different cycles of inductive and deductive research as manifested in our literature review and fieldwork. Our research was a time-series case study, in that we conducted data collection relevant to the case study at several points in time: 2017, 2019 (before 18-O), 2021, and 2022. The data collection techniques used included document collection, participant observation, photograph collection, and interviewing key informants. The focus of our questioning in the interviews changed over time. In 2017, the key issue was about perceptions of the mining project and mining conflict. In early 2019, the focus

was about the extent of participation in the Environmental Impact Assessment of the project. In 2021 and 2022, the key issue was primarily around the latest changes at the national level regarding 18-O, the constitutional reform, the effects of COVID19, and the extent to which these issues affected the dynamic of the local mining conflict surrounding the Dominga mine and associated policy outcomes.

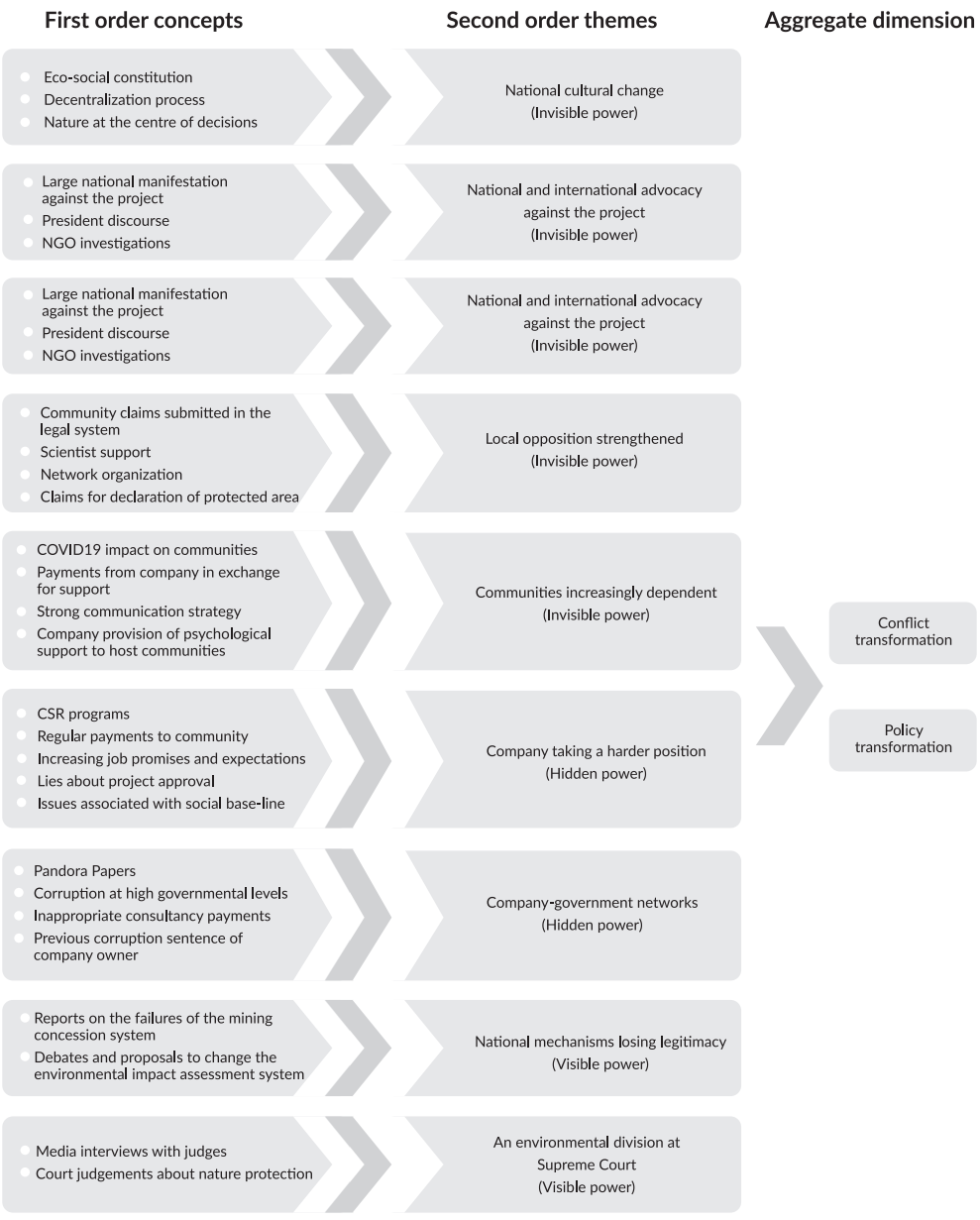
Across the four years, we undertook a total of 44 indepth interviews, 37 in the La Higuera municipality and 7 in Santiago de Chile. The interviews ranged from 20 to 150 minutes. People interviewed came from most of the communities within the Municipality of La Higuera. They included the places where the majority of people were for the project and those where the majority of people were against the project. Key locations were La Higuera township (the main town in the municipality, and one of the poorest), Punta de Choros (a small seaside village adjoining two marine reserves), Los Choros (a small town), and El llano (an agriculture area). The interviews included representatives from the following groups: 19 community members; 7 local activists; 4 business representatives; 4 local government representatives; 4 scientists; 2 representatives from environmental NGOs; 2 people who were members of the constitutional assembly (to rewrite the constitution); and 2 representatives from the Dominga Mining Company. The principles of ethical research (Vanclay et al., 2013) were followed and informed consent was obtained from all interviewees.

Apart from collecting primary data, we also analysed 331 documents relating to the October 2019 social revolution, the Dominga mine and its local context, which were collected from various sources, including: media articles; scientific papers specifically referring to our case study; Dominga Mining Company communications that were publicly available; reports and correspondence from various NGOs, including Alianza Humboldt, OCEANA, Greenpeace, MODENA; reports from research centres and think-tanks, such as the Centre of Studies of Conflict and Social Cohesion (COES), CIPER (an investigation journalism centre), and the Centre of Public Studies (CEP), among others.

We utilized a constant comparative method (Kolb, 2012) to analyze our data and to develop concepts through theoretical and emergent coding. After each data collection cycle, we developed tentative answers to the research questions, which led us to formulate new questions to pursue in subsequent interviews to increasingly clarify the concepts and relationships emerging from the data (Gioia et al., 2013). We processed the data – a total 474 excerpts (i.e. the interviews and extracts from secondary data) – using two levels of coding. Using a set of discrete decision rules, we created second order codes that group the initial codes into a mutually exclusive and exhaus-

tive set of second order themes (Doty & Glick, 1994). In processing the data, we used Atlas-Ti version 9. Figure 1 depicts this coding scheme.

Figure 1: Coding tree used in the data analysis



In our pursuit of data relevance and validity, we used several techniques such as: rereading the full transcripts and initial analytical memos; looking for contextual evidence in the data; and keeping an updated research fieldbook that included relevant issues. We also double-checked our interpretations of the data and our understanding of the situation in Chile as it changed over time. We did this by communicating via WhatsApp with various colleagues and certain interviewees in Santiago and the local communities around the Dominga mine. In this way, we produced a joint interpretation that reflects a greater understanding of the issues. Although we coded the data (i.e. data reduction), we did not replace the original detailed descriptions, elaboration of contexts, or specific examples, thereby the original wording of each interviewee was always available for cross-referencing (Linneberg & Korsgaard, 2019). The general purpose of our analysis was not to become attached to any particular informant's views but to maintain a high-level overall perspective, something that is necessary for informed theorizing (Gioia et al., 2013).

4.1. The October 2019 social revolution and ongoing unrest

The October 2019 social uprising in Chile was a not a singular event, but was a process of resistance growing over time and culminating in massive public protests and many acts of civil disobedience. The sequence of events that provoked the social mobilization was as follows. At the beginning of October 2019, there was an increase in the price of metro tickets (by 30 pesos, or 4%). This was followed by widespread protests against this symbolically-significant price hike. The protest included spontaneous fare evasion actions, especially by young people, which later became a coordinated campaign of civil disobedience. On the 18 October 2019, there was a mass mobilization of people, with many acts of sabotage and destruction of metro property and other buildings. The name 18-O is drawn from this major mobilisation (18 October 2019). The overall damage was considerable, and amounted to over USD 2 billion in damage (Discourse Magazine, 2022). The President of Chile, Sebastián Piñera, announced a state of emergency and brought in the army to ensure law-and-order. This led to a severe and repressive police and army response against the protesters, which led to around 34 people being killed and thousands of people injured. One particular outcome of the tactics used by the military was that, by the end of 2019, some 460 people had suffered ocular lesions from rubber bullets, and are facing permanent damage to their sight (France24, 2022).

The underlying factors that triggered the mobilization (some of which had been in existence for decades) included: a general disconnect against the neoliberal model

of development; awareness of power abuses and corruption; increasing unemployment; widespread dissatisfaction with the government and state due to inequality, poverty, and increasing cost of living; dissatisfaction with the privatization of public services; and growing awareness of corporate malpractice, especially in relation to various reports that proved the existence of corporate collusion in price setting of basic commodities (Hernández, 2012; Maldonado et al., 2017; Cifuentes & Frenck, 2018; Artaza et al., 2018).

The social uprising was not led by any particular party or NGO, but was mostly a spontaneous and organic process, with large numbers of ordinary people taking protest actions and acting in defiance of the government that had lost its legitimacy. For example, when Piñera imposed a stay-at-home curfew, a large proportion of the population went out onto the streets in public defiance of the ban. While the protests started in Santiago (the capital city), they rapidly spread across the whole country. A social movement also started in village squares and in urban neighbourhoods, with people gathering in groups (*cabildos*) to talk about their concerns about the country, its government, their ideas for the future, and the protest strategies and tactics to use.

The protesters quickly made placards and banners with a wide range of slogans. One popular slogan that became a rallying call was "not 30 pesos, but 30 years". This slogan made it clear that it was not the relatively minor increase of 30 pesos (although this would have been significant for the poorest people), but that the protest was more about the 30 or more years of injustice. In fact, the specific object of focus was the 1980 Constitution of Pinochet, which was deficient in many respects (Heiss, 2017).

Originally, it was intended that the 2019 Asia Pacific Economic Cooperation meeting and the COP25 Climate Change Summit would have been held in Santiago in late 2019. These events had to be cancelled due to the ongoing protests and concerns about security. Actually, these two meetings were also important to the social mobilization because President Piñera made various remarks in relation to these events that indicated he was completely out of touch with what was going on in Chile and what was important to the people. For example, he said that "Chile was a true oasis within a convulsed Latin America" (Somma et al., 2021). Many of his comments incensed people. Actually, on the 18 October 2019, when the capital city of Santiago was ablaze, Piñera was photographed eating pizza at an expensive pizza restaurant (it was his son's birthday). This image went viral, with Piñera depicted as Nero eating pizza while Rome burned (La Red, 2021; RTBF, 2019).

In addition to the October 2019 social uprising, Chile has faced two other institutional crises in recent years: the emergence of COVID; and the dissemination of the Pandora Papers. COVID-19 had a big impact on Chilean society in many ways. Mena et al. (2021) analysed the incidence and mortality rates attributed to COVID-19 to understand the socio-geographical distribution of the disease. It was widely reported in Chile that fatality rates were much higher in lower-income municipalities because of the presence of previous illnesses and the lack of access to healthcare. (Multidimensional Poverty Network, 2020). Public awareness of these finding, together with increasing inequality and extreme poverty, which was exacerbated by COVID-19, led to widespread outrage against the government in many communities, especially through 2020 and 2021. The pandemic revealed the poor state of the public health care facilities and the vulnerability of poor people. The inability of the state to address the inequality in health care became a crisis for the government.

The Pandora Papers was an investigation of corruption (financial irregularities) around the world. Led by the International Consortium of Investigative Journalists, the investigation reviewed 12 million records from law firms and financial advisers who had facilitated tax evasion. The public dissemination of the Pandora Papers in August 2021 exposed graft by high level officials and public servants, many being linked to offshore dealings. Among them were the presidents of ***Chile***, the ***Dominican Republic*** and ***Ecuador*** (ICIJ, 2021). In the case of President Piñera of Chile, it was revealed that in 2010 he had sold the Dominga Mining Project to his childhood friend, Carlos Delano, for US$152 million to be paid across three instalments (CIPER, 2021). The last payment was conditional on the location of the entire project not being declared a protected area. Despite long-term strong demand for declaring a protected area in the region of the Dominga Mine, this had not yet happened (as at mid 2022). Piñera therefore received the third payment shortly before the release of the Pandora Papers and the presidential elections in Chile in November 2021 (Mongabay, 2021). The payments to Piñera were implemented in the Virgin Islands, a fiscal haven that offers discretion and anonymity (CIPER, 2021.2). The release of the Pandora Papers severely diminished the credibility and legitimacy of the business and political elite in Chile, and strengthened the view of many citizens about the impossibility of the current institutions to be able to service democratic demands and to be transparent.

Although the ongoing protest is called the October 2019 uprising, it continued up until around 25 October 2020, when a referendum to change the constitution was held. After the October 2019 social uprising, protests against the government con-

tinued, and there was a general strike. With a collapsing economy and facing ongoing protest, the state and government were in a crisis situation. Discussions in parliament led to a proposal to hold a referendum about changing the constitution. This motion was passed on the 15 November 2019, although the actual referendum was not held until 25 October 2020, partly because of the COVID-19 pandemic. The referendum was passed with a 78% majority of citizens voting for a new Constitution to be development (The Guardian, 2021).

Presidential, parliamentary and regional elections were held on 21 November 2021. From seven candidates running for President, two qualified for the second round of elections. José Antonio Kast, of the far-right Republican Party, ran a campaign on populist and Christian conservative values with a strong "law and order" message. In contrast, Gabriel Boric campaigned on a progressive message reflecting the ideas behind the 2019 protests and supporting the writing of a new Chilean constitution. In contrast, Kast repeatedly said he would stop the ratification of any new constitution. On 19 December 2021, Boric won the second round with 56% of the vote. At 35 years old, Gabriel Boric became the youngest President ever elected in Chile, indicating strong intention by the population of Chile that a different approach was needed (BBC Mundo News, 2021).

4.2. The Dominga mining project

Since 2010, the Dominga project has been owned by Andes Iron, a Chilean private capital firm, with a majority shareholding by Carlos Delano, the childhood friend of Piñera. However, in mid 2022, it is being touted that it will be be sold to a currently-undisclosed Chinese firm. The project is intended to comprise two open pits, a processing plant, a tailings dam, a desalinization plant, and a port in the community of Totoralillo. The project is expected to have a lifespan of about 27 years. It is expected to generate 10,000 jobs during the construction phase, and 1,500 jobs during the operation years (Mongabay, 2021). Although there have been various developments in planning the mining operations, no official approval for the project has yet been granted. Various licensing procedures have been initiated, but there has been various legal and administrative complexities surrounding them.

From the time of public awareness of the project in the community (sometime between 2010 and 2013) up until today, there have been two main groups in the local municipality, one in favour and one against the project. The town of La Higuera is a historical mining community that has become impoverished due to a high unem-

ployment rate since previous mining operations have stopped. They are generally in favour of the Dominga project. In contrast, in other locations, there are groups who seek to strengthen the protection of the two nature reserves in the area, the Humboldt Penguin National Reserve and the Punta de Choros marine reserve, both which are fishing and touristic areas (Gallardo and Friman, 2012). The region experiences many social issues, including poverty, drug and alcohol abuse, and allegations that the company is manipulating and dividing the community.

The likely social and environmental impacts of the Dominga project include: potential damage to the two reserves; an important aquifer being altered; a change in the unique qualities of the local seawater due to the increasing salinity from the planned desalinization plant; oil spills from ships; and noise that may disrupt the whale migration highway (EJAtlas, 2018). To protect the area, an alliance (called *Alianza Humboldt*) comprising many NGOs was created in 2019. It has taken a lead role in confrontation, protest and litigation in relation to many issues in the region, including opposition to the mine. Partially as a result of their actions, two policy changes have been achieved: the designation of two new Indigenous communities (*changas*) in the area, which have as their goal to fight against contamination from companies; and the planned declaration of much of the area as a Protected Area, thus only allowing low impact activities such as artisanal fishing and tourism.

The social uprising was a major issue for the Dominga mine project. With the change of government, their political power was lost. The changing culture in the national legal system also affected the mine. The mine has a protracted history of legal procedures, with many hearings, dismissals, and appeals. The current situation (as at mid 2022) is that the local communities and the whole Chilean population are awaiting a decision about the future of the project, both in terms of legal approval for commencement of operations, as well as in relation to the buy-out by a Chinese firm.

5. Results: cultural power before, during and after the social uprising

The communities in the La Higuera Municipality in northern Chile had varying relationships with the Dominga mining project. Some communities, especially those that were historically dependent on mining, were largely in favour of the mine going ahead. Other communities, especially those whose livelihoods depended on fishing or tourism industries, were opposed to the project. National and International NGOs and celebrities (notably Jane Goodall and Leonardo Dicaprio) have also weighed in to

the conflict. The October 2019 social uprising also came to the communities in the La Higuera Municipality, and local protests happened in various forms. Most local villages also had *cabildos* where discussions of current events took place.

The social uprising was a great concern to the Dominga Project as it severely threated the likelihood of the project obtaining formal approval. This was especially clear when the new President Boric (*Convergencia Social*, a leftwing moderate party dependent on its coalition parties) mentioned in his inaugural speech (19 December 2021) several of the slogans used during the social uprising, including the widely championed slogan, "No to Dominga".

With our research interest in how the exercise of counter-hegemonic cultural power can contribute to the transformation of conflicts and policy at national and local levels, we searched our data for examples of statements made by our interviews or in secondary data that reflected how the three types of power played out before and after the October 2019 social uprising. In Table 1, we present indicative excerpts that characterize the various forms of power. In Table 2, we focus specifically on cultural power and how it changes and evolves at the national level before and after the social uprising. Table 3 depicts the changes in cultural power at the community level before and after the social uprising.

Table 1: Changes in the different types of power at the national and subnational levels				
Type of power	*National level*		*Subnational level*	
	Before	*After*	*Before*	*After*
Visible	Private profit in basic education made student claim for a deep constitutional reform (Press release, 2011)	The state abandonment made the mining project interesting (Press article, 2021)	Los Choros have been abandoned by the state, they don't even come to consult people (Olive Producer, 2017)	The abandonment of the State in basic services, left room for the company conducting surveys of the needs of local citizens (local leader, 2022)
Hidden	Several evidences show that private sector has been active when influencing politics: controlling media, publishing opinion articles, founding universities, and think (Undurraga, 2014).	It's not "meter cuco", to create a fear, but businessmen are pragmatic. It is clear that the state will have a major size, with more taxes and regulation. (Press article, 2021).	I kind of enter into a direct transaction, where I can operate calmly and you let me operate calmly, in a frank economic negotiation (Business executive, 2017) Dominga pays 30 euros to sign in favour of the project (Neighbour, 2019).	With the upraising, it became clear that people had been trampled and lied to (local public service, 2022). People suffered a huge deception when knew that even Piñera was involved in the business (La Higuera leader, 2022)
Invisible (changing)	They want to change the constitution due to a referendum that sis not count with transparency measures (Press article, 2011)	citizen participation is a new constitutionally guaranteed human right (Press, 2022)	Citizen participation is nothing if people do not understand. (Activist, 2019) studies were done at the university for years, but have not been taken into account (hotel owner, 2019) It's impossible to have a SLO here in Choros. Their strategy is to first win the SLO and later get legal permits to sell project with a higher price (Olive producer, 2017)	Since the outbreak, people against the project are more empowered, the conflict went from being local to national. Two new indigenous communities were declared with the right of co-managing the reserve. People now want to make decisions on the ground. Those in favour were silenced (Local public service, 2022)
Invisible (not changing)	Education in Chile is one of the more expensive lines in the public budget, students should value that (Mining council, 2011)	Boric never worked, he does not understand the world. People voting him are ignorant and unaware of the consequences (Mining union, 2022)	"Andes Iron has given the residents boats, motors, land, ice cream with desalinated water and the Dominga logo. But this is s a responsibility of the State (Press article, 2021)	Higuera was always on the left and voted in favour of reforming the constitution, but Dominga brought them benefits, and now they cannot be against it (La Higuera Leader, 2022)

Table 2: Changes in cultural power at the national level			
Narratives, knowledge, worldviews, ideas about key aspects	*National context*		*Changes in cultural power in the national context*
	2017-2019	*2020-2022*	
	Before	*After*	
What is the main political objective	Progress	Ecology	From progress to ecology as a political issue
Role of state	Catalyst of projects	Regulator and protector	From a minor state function towards a major role of the state
Role of public sector	Active in politics, controlling media, publishing opinion articles, founding and funding universities and think tanks	To continue innovation but accepting more regulation and taxes	From a private sector influencing policy towards one respecting other interest representation in public agenda
What is at the centre of the system	Anthropocene with humans in the centre	Eco-social system with nature in the centre	Priority change from people towards nature
What is being protected	Protection of private interest in a for-profit logic with major concerns about poverty and environment increasing	Protection of environment and native people in a pro-naturel logic	From profit to nature protection system
What type of knowledge is being valued	Lawyers, experts, financial advisors, technicians	Collective wisdom	From technical knowledge towards people knowledge
Power distribution	Elites	People in the territories	From elites to people
Participation	Citizen participation mechanisms were not legitimized and claims did not achieved results	Citizen participation is claimed as constitutional recognized human right	Citizen participation is treated as a way to guarantee that public mechanisms will work
Levels of decision	Centralization- National to tell what people needs to do	Decentralization- Local to define what people want	Decentralization is a major aim
Mechanism and governance	Lack of credibility increasing but no transformation was possible due to the constitutional tribunal that declare every proposal of changes as unconstitutional	Governance crises. A new ethos is shared about a firm determination of rejection to corruption and mechanisms benefiting a few	From mechanisms allowing private interest influence towards a crisis of legitimacy of those mechanisms and a new ethics towards transparency and social justice
Political leadership	Clear national leader in a vertical logic	Multiple leaders in a horizontal logic	Thrust in new forms of collective leadership
Economic model	Extractivist development model with emerging claims for a change	Claims for a non-extractivist development model	Wide support to claims for a non-extractivist development model

Table 3: Changes in cultural power at the local community Level			
Narratives, knowledge, worldviews, ideas about key aspects	*Local context- Community level*		*Changes in cultural power in local context – Community level analysis*
	2017-2019	*2020-2022*	
	Before	*After*	
Organization	Individual organizations: MODEMA and other NOGs	Network organization: Alianza Humboldt	Increasing level of organization
Protest	Local resistance manifestations	National and International resistance manifestations	Increasing national and international support Hot Spot Area
Subnational government	Local major in favour	Local major silent	Lower influence of local major
National mechanisms to protect areas	Claims to declare a protected area unsolved	Claims to declare a protected area considered and process started	Emerging political will to protect the area
Jurisdiction for resolution	Regional tribunals involved Committee of Ministries involved	Supreme court involved Committee of Ministries involved	Committee of Ministries making final decision

Table 3 shows that resistance to the Dominga mining project strengthened over time. The opposition group (*Alianza Humboldt)*, whose members were mainly living along the coast and had a range of income generating activities, found national support to mobilize against the Dominga project. Moreover, the use of a socio-ecological approach as a principle in the constitution revision legitimised their main claim: the incompatibility between a large scale mine and continuity of their traditional local development model based on fishing, agriculture and tourism.

Although the change in cultural power reached every single territory of Chile, the COVID-19 pandemic disproportionately affected the income of the most vulnerable communities and especially those in remote areas, such as La Higuera, the village closest to the mine site. Given this, the Dominga project increased its corporate social responsibility activities and the monthly fee they paid to the people who were registered on a list they maintained. The list was allegedly of people who were part of a community panel, and the payments were ostensibly honorariums for the time to participate in company-community liaison activities. The view of many of our interviewees, however, was that the payments were only being paid to supporters of the project. Therefore, the change in the national discourse arguably did not affect the village of La Higuera, which was increasingly dependent on and controlled by the company.

Despite the major changes at the national and subnational level, especially in relation to cultural power, in Table 4 it can be seen that the company's power remained relatively untouched. Before the social uprising, there were two main problems: the lack of participation in the Environmental Impact Assessment process; and community co-optation. However, after the social uprising, there was evidence of the company hardening its position, for example by: increasing manipulation and deliberately deceptive miscommunication (for example claiming that they had technical approval before it actually had been given); increased attempts at co-option (by giving gifts and other lures); persistent rejection by the company to respond to broader community demands, especially to re-design the mining project to deal with some key environmental issues, including the positioning of the tailings dam in relation to the aquifer, and to consider an alternative location for the port and jetty facilities and the desalination plant.

Table 4: Changes in power at the local business Level

Narratives, knowledge, worldviews, ideas about key aspects	*Local context- Business level*		*Changes in local level – business power*
	2017-2019	*2020-2022*	
	Before	*After*	
CSR tool	Benefit sharing agreement	Increase packed of CSR programs	Increasing company efforts
Company networks in the government	Corruption at the economy secretary level	Corruption at the presidential level	Consistent long-term evidence of corruption
EIA and base line	Inadequate baseline according to technical public agencies, the company didn't respond	Claims to update the base-line, the company didn't reply	Rejection from the company to review the study or update the base-line (now more than 8 years old)
Water affection	Aqueduct was found to be at risk; company didn't mention the possibility to change location of mine affecting aqueduct	Firm company position not the change the project design	No will from company to change the project although critical environmental risk
Community co-optation	Company paying for attending meetings	Company paying with condition to be registered in a list	Co-optation becomes clear
Company lying	There are a few doubts about veracity of company announcement	Clear evidence of company lying: announcing approval of technical report, celebrating, starting of construction, requiring CV of local people	Lack of trust in company
Business sector support	SOFOFA and other entities granting wide support to the project	Mining associations not willing to be involved with the company behaviour	Lack of sectoral support
Future projections	Doubts about speculative investment	Company plans to sell the project to chines investors	Doubts about social and environmental commitment of future owner

6. Discussion

We tracked the effects of change in cultural power at the national and subnational level. Our aim was to describe how the exercise of counter-hegemonic cultural power contributes to the transformation of conflicts and policy at national and local levels. We undertook our analysis of how visible, hidden and invisible power materialized in a mining setting, that of the Dominga mine in Chile. Similar to other writers (e.g. Heiss, 2017, 2021), our analysis showed that visible power is inefficient in addressing historical social claims. The absence of the state (i.e. visible power) in the subnational territory of the Municipality of La Higuera had severe consequences in terms of perpetuating structural inequalities (Lagos & Blanco, 2010; Walter & Wagner, 2021). Our analysis revealed that visible power facilitated hidden power – the power operationalized through networks and key actors – especially in influencing the decision-making process (Heiss, 2021). In situations where hidden power has traction, the vast power imbalance between communities and decision makers is irrefutable (Calvano, 2008; Kemp et al., 2011; Gonzales-Gaudiano, 2016; Stoltenborg & Boelens, 2016; Conde & Le Billon, 2017).

We also studied the exercise of invisible or cultural power in the context of the Dominga mine. We claim that the changes in cultural power that are enacted by social movements can transform conflict and policy mainly by creating a new citizen ethos that can lead to a different power balance. Some community members do realize that they can have power and they start using cultural power, while others (e.g. the state and the elite) are forced to accept that they do not hold the monopoly over power they thought they did (e.g. especially after successful protest actions). We reaffirm that an acceptable balance of power is a pre-requisite for environmental justice (Gonzales-Gaudiano, 2016; Stoltenborg & Boelens, 2016; Conde & Le Billo, 2017). An appropriate balance of power can facilitate the emergence of new discourses that might transform conflict and may also have policy-related outcomes. In our research, the key policy outcomes that were achieved include the implementation of a protected area, and the designation of two new Indigenous communities.

Our findings reveal the relevance of discourses as a tool in the exercise of power (Foucault, 1979; Leifsen et al., 2017). However, in contrast to Daudi (1983) and Rojas Osorio (2019), we found that discourse production and dissemination is not always controlled, selected, organized, and carefully distributed. We claim that discourses are an expression of social change, and change along with the social changes. They are spontaneous, random, and informal.

As changes in cultural power are manifested in discourse (Foucault, 1979; Leifsen et al, 2017) and in beliefs (Van Dijk, 2011), we claim that manifestations of cultural power are an outcome of a dynamic process that leads to certain transitions. Based on our data, we can characterize these transitions as follows. In terms of the typology of power we used, there was a transition from visible and hidden power (Castells, 2011) towards cultural power (Rodriguez et al., 2015; Rodriguez et al., 2018; Rodriguez & Inturias, 2018). We also observed a transition from the concept of "power over" to the concept of "power to" and "power with". In regards to the distribution of power, there was a transition from elites and a centralized concept of 'power holders' (Bebbington et al., 2018) towards a more people-centred power and decentralized power. The idea of the Anthropocene, where humans are at the centre of development, changed towards an eco-social system approach, in which nature is the priority of the development model (Berasaluce et al., 2021). There was also a transition in the driving belief (Van Dijk, 2011; Leifsen et al., 2017) from the idea of development as progress for the nation (which proved to be just for a few) towards the idea of "development for all of us". These transitions are important for environmental justice (Silva et al., 2018, Silva, 2018; Bebbington et al., 2018)

This transformation in cultural power has consequences regarding the role of the state and the private sector. As a socio-ecological approach is now intended to be the main political aim, the role of the state is perceived as relevant in terms of defining what private activities are possible and which ones could affect the socio-ecological system. In this context, an expectation of business is that it should be respectful of other groups' interests and of the public agenda. What seems to be protected now is no longer profit, but nature. The mechanisms to secure this protection of nature are citizen participation and what some interviewees called "a new form of collective leadership".

We saw that bottom-up processes of change in cultural power can, through their national influence, also affect the subnational level, with consequences for the local conflict dynamic and policy making in many places. These bottom-up processes of social change can emerge from crisis situations that become turning points in facilitating social mobilization. Cultural power can bring new ideas, discourses, worldviews and beliefs that were not previously accepted, but now have space to be deployed. For example, new conceptions about the relations between nature and society can emerge (Karriem, 2019).

We claim that changes in cultural power might create long-term policy shifts by introducing new narratives into policy agendas that ultimately will regulate the extractive industries (Silva et al., 2018). A social uprising, especially one that leads to constitutional reform that aims to have an ecological text, can be regarded as being the successful introduction of new, more-inclusive narratives and priorities into policies and governance (Silva et al., 2018). For example, this could be observed by the increased attention being given to the environment by the Supreme Court. The court mentioned that the Environmental Impact Assessment process for the Dominga mine should go beyond mere technical aspects and also address other key social and environmental issues. Additionally, the court requested to hold a listening session in order to hear the perspectives of all stakeholders, no matter what their affiliation, showing that there is an open process of listening to people and not just to the elites. Although, the Chilean state is mostly absent in La Higuera, the approach now being taken by the national legal system could represent a shift in the state capacity to regulate and oversee extractive projects (Silva et al., 2018).

In our research, we found that, although cultural power can affect the conflict dynamic leaving the company socially and politically isolated, this does not necessarily imply that the hegemonic power of companies will always be altered by social mobilization. We share the findings of Cheney et al. (2002) and Furnaro (2018) that companies in extractive settings use co-optation and communication strategies to demobilize dissent, which can lead to passive consent of the project by local communities. In our research, there was evidence of the use of co-optation by the company. For example, similar to Funaro (2018) elsewhere in Chile, we found that there was general consensus that, in meetings with the community, the company was distorting information, for example about the approval status of the project and in relation to the likelihood of people getting jobs with the mine in the near future. There was much implication of malpractice, not only in regards to the Environmental Impact Assessment process, but also regarding the company's financial structure and ownership. Furthermore, the company was making direct payments to certain community members, ostensibly for being on a community panel, but it was widely understood within the local community that it was a payment to supporters of the project, which created division in the community and much concern.

We reconfirm previous findings (e.g. Rodriguez et al., 2015; Temper et al., 2018; Rodriguez & Inturrias, 2018) that the typology of power is useful for understanding extractive conflicts, especially for describing the conflict dynamic, and to show power

imbalances and structural inequalities. Considering the various lists of protest strategies that have been developed (e.g. Gaventa, 2013; Rodriguez et al., 2015; Hanna et al., 2016; Temper et al., 2018; Rodriguez & Inturias, 2018; Llosa, 2019), in our case study we identified several key counter-hegemonic strategies. In order to affect visible power, the strategies are: strengthening the social movement's organization; creation of alliances with academics and activists; and the generation of new knowledge about project risks. With regards to impacting invisible power, the strategies are: use of confrontation to influence policy; establishment of co-managed protected areas; and the use of effective community engagement processes. To change cultural power, the strategies to be followed by the local social movements are: create a clear narrative about the story of extractive projects in the region; provide examples of other conflicts and degraded areas; and revive the local history of the area.

7. Conclusion

In the October 2019 social revolution in Chile, there was considerable exercise of cultural power, which ultimately led to a groundswell transformation that created a new citizen ethos. In general terms, it is clear that, where changes in the policy narrative are embedded in society, there is greater possibility that these changes will be sustained over time. State mechanisms of governance and the state's capacity to manage mining conflicts and complex mining projects would be more legitimate if policy making and institutions would shift towards new ways of thinking. If policy makers are part of the ethos of sustainable transformation, changes in policy and institutions are more likely to occur, if not to a development model that is non-extractivist, at least towards a more culturally-rooted and nature-oriented system. However, we consider that, because of the general absence of the state, especially in rural areas, and structural inequalities that make communities dependant on mining companies, implementing a new development path in Chile will not be simple.

In Chile, the exercise of cultural power was widespread across the country, but was not consistent everywhere. Some vulnerable communities had limited options. For example, our research revealed that the mining-dependent communities around the Dominga mine were mostly in favour of the social revolution and the new constitution, however they were constrained in their ability to express their hopes for change. This was because of the structural vulnerabilities they experienced, which were exacerbated by COVID-19 making them even more dependent on the mining company's CSR programs and financial support. The mining company, Andes Iron, however, did

not overtly respond to the changing national context. Its primary concern is to get the legal approvals for the mine to proceed. Thus they were willing to negotiate with whichever party won the national election. Although in his inaugural speech President Boric repeated one of the phrases of the social mobilization, “No to Dominga”, it is not clear that it is within his power to stop the mine, and as at mid 2022, the ongoing legal procedure has led to an uncertain outcome.

Our paper makes a contribution at theoretical and practical levels. Theoretically, we contributed to the discussion of power in the extractive conflicts and to contentious action in extractive settings by reinforcing the idea that cultural power is an effective way of influencing the power balance and of transforming extractive conflicts. At a practical level, the paper will help social movements by reinforcing the idea that culture and collective change can be effective in creating a new ethos. Our results are also relevant to business executives in terms of gaining a better understanding of the ongoing changes in the Latin American region and elsewhere. The processes of social mobilization and the potential of cultural power to influence democratic process and business can occur everywhere. Finally, our paper contributes to practice of policy making by providing insights into the relevance of cultural power and what this means for the societal acceptance of subsequent regulation and institutional change.

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Postscript

On 4 September 2022 (a few days before this PhD was submitted for examination), the people of Chile voted against the proposed new constitution in a national referendum. Chapter 5 presented an analysis of primary and secondary data collected up to February 2022, when the draft constitution was still being written, and when surveys showed a positive view towards having a new constitution by the Chilean population. In the data collected, I could observe that one of the main concerns of the business sector representatives I interviewed was that business representation in the Constitutional Assembly (that was tasked with drafting the new constitution) was not large enough for them to block proposed draft articles that aimed to revise the neo-liberal and free market undercurrent that was present in the 1980 constitution (Bórquez, 2000; CIPER, 2021).

From late March 2022, at least 39 organizations and 29 account users made substantial payments to Facebook and Instagram to prioritize the dissemination of messages against certain articles in the new constitution and the process in general (CIPER, 2022a; CIPER; 2022b). A campaign against the new constitution was waged for many months. Unfortunately, this campaign of misinformation influenced public opinion sufficiently so that 62% of votes were opposed to the proposed Constitution (EMOL, 2022).

In Chile, the media is owned and messages are controlled by business elites (Santander, 2010; Galindo, 2014). The 'no' campaign was supported by right-wing parties, right wing think-tanks, other right-wing elements in society, the catholic church, the military, the pension and health funds (which are all private sector), and the media and business associations (People's World, 2022).

The reasons why people voted against the new Constitution primarily related to the drafting process rather than to the text itself (Time, 2022). Because the formal political parties were not included in the composition of the Assembly, mostly independent people were elected to its 155 positions, 17 of which were reserved for Indigenous peoples (OHCHR, 2022). However, this led to an Assembly of delegates with particular identity-related agendas, generally not representing the more conservative views. Ultimately, these agendas were difficult to reconcile and created difficulties in reaching consensus (La Nación, 2022a; Time, 2022).

The constitution was mostly rejected due to a proposal for a pluri-national structure. A pluri-national state would mean the possibility for the 11 Indigenous groups (13% of the population) to be recognized as nations within Chile, with each having their own government and justice systems (in other words, self-determination). Most Chileans did not resonate with this proposal, especially in the south where violent conflict between industry and Indigenous activists has lasted for many years (The New York Times, 2022).

Some delegates were rigid in their position and reluctant to negotiate even with the more moderate right-wing groups (La Nación (2022a). Additionally, many delegates individually, and the Assembly as a whole, gained a bad reputation for disorganization, chaotic discussions, and misconduct, which ultimately undermined public trust in the process (La Nación, 2022ª; People's World, 2022; The New York Times, 2022). Lastly, the Assembly failed to provide the population with updates on its deliberations, and did not adequately counter the propaganda from the media (People's World, 2022).

An additional problem of the proposed constitution was that some articles were radical and the text very long (388 articles), leading to uncertainty around how it would be implemented. The draft text also proposed to legalize abortion, adopt universal health care, and confer more than 100 constitutional rights (Time, 2022). The Senate would have been eliminated and regional governments strengthened. Every Chilean would have had the right to choose their own identity in all dimensions and manifestations, including sexual characteristics, gender identities, and expressions. All these created doubts about their practical implications and cost of implementation, and fuelled misleading information and interpretation, including the suggestion that homeownership would be banned, and that abortion would have been allowed in the ninth month of pregnancy (The New York Times, 2022).

Finally, the national context of high inflation (13% annually, the highest in the last 28 years), a fall in copper prices and export income, and increasing violent crime, created a sense that things were going wrong with the country and its government. Thus, the rejection of the new constitution was also a vote of punishment to President Boric for lacking the ability to deal with the various crises facing Chile (People's World, 2022, Time, 2022).

Following the failed referendum, a new constitutional writing process has started. The new process will face several challenges, but the major one is to reflect the expectations from a society that is polarized and fragmented.

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Chapter 6
Conclusion

Conclusion

1. Introduction

This thesis was about discourses in the field of corporate social responsibility (CSR) and specifically the discussion around the role of business and their contribution towards development. These issues have implications for how the outcomes of development and progress are distributed in the society and on how firms gain legitimacy. A review of CSR discourses was released in 2008 by Banerjee in the article "*Corporate social responsibility: The good, the bad and the ugly*". However, I believed it was necessary to update his review to consider the new emerging discourses that seek to change the main considerations around the concept of CSR, especially regarding the power relations CSR creates. This updating of CSR discourses is important from a practical point of view, for example, to provide information for multinationals that need to balance international CSR and ethical standards with the local needs of a diverse set of stakeholders spread across the globe (Filatotchev & Stahl, 2015).

A CSR discourse categorization also seems to be necessary for social movements and local communities to have an overview of the stakeholders' positions and different mental models around the CSR concept. Therefore, the research gap that this thesis aims to address is the lack of a recent overview of the different CSR discourses that clarifies propositions around: What is the main purpose of CSR? Who should define CSR?, and Who should benefit from the overall action of CSR? The primary overarching research question of this thesis was: *How has CSR discourses of the last decade (2010-2020) changed the understanding of the relationship between business and society?* Secondary research questions were: How have the emerging CSR discourses reshaped ideas around, what should be the main purpose of CSR? Who should define CSR? and Who should benefit from CSR actions? To address these questions, I developed a set of research papers, presented in the form of chapters. The main findings of these papers are summarised below.

Chapter 2: While evidence based-decision making and quantitative evaluation can assist in better understanding whether a CSR program is having positive effects, evaluations can also serve to legitimize the corporate interest and silence diverse and potentially contesting views about the CSR program results and the corporate behaviour. Then, I consider whether the interest of corporations to measure their CSR programs and the emergent use of quantitative evaluation methods could represent an increasing power imbalance situation.

Chapter 3: With increasing demands around measuring, mitigating and compensating for climate change challenges, international agencies are creating instruments, such as the Green New Deal and the Circular Economy Plan 2.0. These are creating new market opportunities that seem to be well adapted to the private sector. However, this could also imply an excessive regulatory burden, especially on SMEs, and the need to address technological investments and innovation processes that are necessary but costly. I argue that these new requirements on SMEs are likely to increase the power imbalance between multinationals and SMEs that now need to follow these new regulatory demands.

Chapter 4: Power imbalances can be harnessed with poor corporate conflict management and then vulnerable communities can increase their level of dependency. In the case of mega-infrastructure projects, improved insight for conflict management theories can come from the research field of political ecology, with its concern about social justice and a fair distribution around the use of and access to natural resources. This could bring light to complexities in the relationships between nature and society, and can inform the business management research field (Karriem, 2009).

Chapter 5: Social movements can achieve positive results in terms of cultural power change, the conflict positioning of people, and even policy change. However, the effects of social movement actions might not be able to change company behaviour. Although societal changes can occur, it is still unknown if companies will adapt and listen to new social demands and views about development preferences and local expressions around how extraction activities should operate especially in bio diversity rich areas.

Below, I consider the primary and secondary research question by describing the CSR discourses that have arisen over the last decade (2010-2020) and I conclude by describing the main contribution of the thesis in academic, methodological and empirical terms.

2. Research questions and summary of key findings

In order to address the main research questions of this thesis– How have CSR discourses of the last decade (2010-2020) changed the understanding of the relationship between business and society? How have the emerging CSR discourses reshaped ideas around?; What should be the main purpose of CSR?; Who should define CSR?; Who should benefit from CSR actions? –, I developed a set of chapters which main findings are depicted in Table 1.

Table 1. Overview of key findings per Chapter

Chapter	*Chapter Research Question*
Chapter 2: The possibilities and limitations regarding the use of impact evaluation in CSR programs in Latin America	What is the current interest, knowledge and methodological approach of CSR program impact evaluation in Latin American companies and corporate foundations?
Chapter 3: Circular Economy and Business Model Innovation	How are SMEs business models aligned with a relevant green economy instrument: the Spanish 2030 Circular Economy Strategy?
Chapter 4: Conflict management in the extractive industries	Why managers of large mining operations in Latin America fail to address conflicts with local communities? What is missing in their strategies to manage the conflict adequately?
Chapter 5: Social revolution and mining projects: the potential role of cultural power in transforming mining conflict	How the exercise of counter-hegemonic cultural power contributes to the transformation of mining conflicts and policy at national and local levels during the 2019 social uprising in Chile?

Main Findings
(1) Quantitative impact evaluation can address concerns about CSR program outcomes coming from companies and communities. (2) Monitoring and evaluation (M&E) were linked to tracking program objectives rather than making strategic decisions about innovations to achieve outcomes. (3) Decision making was based on the preferences of managers and/or in response to community demands. (4) The main challenges in increasing use of impact evaluation were the lack of skills and knowledge of management staff, and methodological complexities of impact evaluation designs. (5) If getting the social license is highly connected with the impact achieved by CSR programs, to include the return of the investment and participation in the evaluation process could improve the chances of projects to be accepted. (6) Quantitative evaluation methods could have significant impact by bringing evidence of the possibility of CSR to have favourable impact on society, information that would be valuable not only for business but also for governments, funding bodies, universities and for the public in general.
(1) Not only do external affairs need to change, companies need to embrace how to address climate challenges. Alternative business models that aim at reducing the use of resources, waste and emissions in the European Union has been considerably promoted. (2) Companies are learning by implementing and testing new business models. Main skills needed were digitalization and modelling, research and development (R&D), branding, marketing and the ability to create partnership schemes. (3) Companies need a framework of strategies to make their transition to a more sustainable and circular business model. The EU and Spanish framework can influence the SMEs technological advancement and their approach to climate change. Value capture for business depends on consumer education, marketing and branding and actions in this sense are isolated and driven individually by the companies. More private-public collaboration to face technological challenges as well as consumer awareness seem to be a priority.
(1) Conflict management in the extraction industry is failing to secure operational continuity and social wellbeing. The management field is missing the progress made by other fields such as political ecology and environmental justice. (2) The primary factor explaining the failure of mining projects to address conflict is the short-term capitalist nature of global corporations, which do not consider the effects of conflict on society. (3) Inward-looking organizations should increase respect for the rights of community members; improve understanding of the differences in worldviews and ontological values; and come to a fair distribution of costs and benefits for extraction projects. (4) Companies will have to accept lower returns or simply close some projects in areas where communities will not further accept harm and damage to their natural environment and local way of living. (5) While conflict situational analyses tend to emphasize the technical, legal and economic aspects at project sites, a cultural understanding of conflict is essential. (6) Only through meaningful and proactive engagement with local communities and with a fair sharing of benefits conflict may be avoided and a genuine social licence to operate be obtained.
(1) As changes in cultural power enacted by social movements are manifested in discourse and in beliefs, I claim that they can transform conflict and policy mainly by creating a new citizen ethos that can lead to a different power balance. (2) I found that bottom-up processes of change in cultural power can, through their national influence, also affect the subnational level, with consequences for the local conflict dynamic and policy making. Nevertheless, territorial realities (i.e. vulnerabilities) and the consequences of the COVID-19 pandemic limited the transformational potential at the local level. (3) Although cultural power can affect the conflict dynamic leaving the company socially and politically isolated, this does not necessarily imply that the hegemonic power of companies will always be altered by social mobilization. (4) To change cultural power, a proper strategy needs to be followed by the local social movements such as: create a clear narrative about the story of extraction projects in the region; provide examples of other conflicts and degraded areas; and revive the local history of the area. (5) Gaining the license depends on the ability of companies to understand the diverse definitions of socio-ecological approaches for their different communities of interest.

Considering the results in these chapters and my reflexions in the Introduction to the thesis, my answer to the research questions is that five new contemporary CSR discourses were found:

1. The discourse that promotes the quantitative measurement approach to CSR programs;

2. The discourse around the new green deal,

3. The discourse of political ecology;

4. The discourse regarding the role of social movements in policy change; and

5. The discourse of ESG.

I claim that three of the mentioned discourses can be regarded as mainstream – the quantitative measurement of CSR programs, the new green deal and the ESG discourses- and two as critical -the political ecology and the one promoted by social movements. The three mainstream discourses contribute to keeping control of the CSR definition in the hands of multinationals, investors and multilateral organizations, with little attention to SMEs in the value chains and to the communities including social movements based in the areas where large companies operate. In these cases, the relationship between business and society is decided with a top-down perspective and CSR still seeks results, mainly, for the corporate shareholders and investors. CSR attempts to get the social license to operate and is a tool to legitimize power of corporations. On the other hand, the two critical discourses that aim to decentralize the decision power from corporates or bureaucracy to give voice to bottom-up expressions coming from local, Indigenous communities and social movements. The relationship between business and society is mainly bottom-up defined and CSR seeks results for the company stakeholders. CSR aims to compensate, accommodate, and even withdraw from the use of natural resources in biodiversity rich areas where the state capacities are low and/or conflict about use and access to resources can occur. CSR, not only focuses on legitimizing the power of companies, but also aims in legitimizing the power of local and Indigenous people, which many times can be represented by certain social movements.

3. Reflexions around power imbalances and the findings of this thesis

Below, I present my observations from analysing the results of Chapter 2 (Measurement) and Chapter 4 (Conflict management). While managers are inclined to measure the results of their CSR programs (Chapter 2), when studying four concrete cases in depth (Chapter 4), I found that, beyond the amount and results of their CSR programs, in the majority of cases, these companies still failed to address their conflicts with communities. This could imply that they were not assigning their CSR programs to the local communities they had conflict with, or that maybe their programs were weak and insufficient to create a positive impact in the community. I found that managers connect the exercise of evaluation with their possibilities to gain a social license to operate. However, the lack of skills in addressing conflict could diminish the efficiency of evaluation in attaining a social license to operate. As Chapter 4 shows, just through a meaningful engagement and a fair distribution of costs and benefits, companies might have more opportunities to gain a social license for their operation.

The idea that statistics can have the power to silence people's voices, including Random Controlled Trials (RCTs), is not a new, and had led to the inclusion of qualitative data collection techniques in quantitative designs (Zaveri, 2020; Menon et al., 2020). Adding a qualitative phase to the evaluation can bring, not only an overview of the changes in certain key indicators associated with community program, but can also enhance community relationships and social capital while the evaluation process is being implemented (Ali, 2020). Hearing peoples' voices can also allow engaging with the plurality of worldviews and values that play out in the interpretation of the results and the different visions about what development means (Stevano, 2020). The cultural understanding from managers about the worldview and values of their communities, suggested in Chapter 4 can also contribute to CSR measurement. With this result, I am supporting previous findings that refer to the consideration of the cultural aspects and their positive linkage with gaining the social license to operate and, ultimately, with reinforcing corporate legitimacy (Jijelava & Vanclay, 2014; Vanclay, 2017; Jijelava & Vanclay, 2017).

In Chapter 3, when designing the methodology to address the research question, I decided to utilise a sample of SMEs, because SMEs face major challenges compared with multinationals, since arguably at least they are not very well equipped to deal with innovation and technological adaptation. In Chapter 3, I observed that SMEs need to accommodate the measures around climate change that are imposed by mul-

tilateral organizations, which could lead to an extra regulatory burden. The approach of multilateral organizations to the Circular Economy plan as applied to SMEs can be explained as being due to an incorrect understanding in these organizations about the barriers faced by SMEs, and about their needs in transitioning towards a more sustainable production and consumption pattern (Veugelers, 2008; Cernat et al., 2014; Borbás, 2015). More direct participation of SMEs, and experimentation around sustainable business models seems necessary to avoid negatively affecting SMEs with ill-considered climate change measures.

How will the green economy and related policies affect the institutional governance arrangements and what will be the impact of it is still unknown, especially for SMEs. With the results obtained in Chapter 3, I can reflect on how multinational companies are positioned to show their well-prepared policies in accordance with EU agendas, while SMEs need to accept the new top-down rules around climate change. More research is needed to understand how the connections between multilateral organizations and multinationals are influencing the institutional governance arrangements around the green economy. There are official reports that have exposed the phenomena of revolving doors in the EU i.e., the transition of politicians or civil servants from public offices into lobby jobs and vice versa (Euranet Plus News Agency in Brussels, 2015; Silva, 2019; Coen & Vannoni, 2020; Luechinger & Moser; 2020). How multinationals are influencing the EU arrangements and how this will affect other groups such as SMEs and the local communities in emerging economies requires further research.

Considering the critical views on the ESG discourse and the implications from the lens of power distribution, the imbalance of power relations could be worse with the shift from CSR to ESG. If the needs of local and Indigenous communities and SMEs are hardly considered when multinationals and multilateral organizations set the rules, there is now a more complex scenario where investors and data vendors will have a greater influence on how companies are expected to contribute to social and environmental challenges. More research needs to be catered to achieve concluding reflections about how CSR and ESG differ in the power relations they are creating. This could be useful to raise awareness, initiate dialogue, advocate for more governmental and inter-governmental attention to these issues and, hopefully, to design strategies, to mitigate risks and protect the groups of people that could be mostly affected.

4. The contribution of this thesis

The main conceptual contribution of this thesis was to present an updated framework of CSR discourses and their approaches regarding the relationship between business and society. Taking this framework of CSR discourses into account, in Table 2, I reveal that the critical CSR discourses still attempt to change power relations and the process of who will legitimize its power, whether it would be the investors, managers, data vendors or communities and social movements. Although I believe the understanding of CSR has not fundamentally changed from Banerjee's (2008) thoughts, meaning that CSR is a legitimation tool, I have identified a range of competing discourses that have gained prominence, and I have considered their propositions around the main purpose of CSR, who should define this and who should benefit from the CSR action.

Table 2: A framework outlining five key CSR discourses since 2008

CSR Discourses (Referential year)	*What the main purpose of CSR should be*	*Who should define CSR actions*	*Who should benefit from CSR actions*
Post colonialist (2008)	CSR seeks to legitimize corporate power	Not just corporations	Not just large corporations
Political ecology (2007)	CSR aims to respecting and avoiding actions that could interfere or harm local livelihood, worldviews and culture of local community	Local communities	Communities in the local areas of companies' operations
Policy effects of social movements (2018)	Policy and institutions are key to rule CSR and business behaviour	Social movements	Citizens and specially those thinking about development models paths
Quantitative measurement of CSR programs (2017)	CSR programs can prove to have positive results for communities and companies	CSR Managers in dialogue with communities	Companies and communities of interest
Green economy (2019)	The aim of CSR is to transform business models to create carbon neutral companies	Multilateral in dialogue with SMEs	Future and current generations
ESG (2016) Future research pending	ESG purpose is to offer low risk investment opportunities	Investors and data vendors in dialogue with companies' stakeholders	Not just Investors, data vendors, consultants and those in the ESG data market

While the focus of this thesis was to understand the power relations created by the way business and societies relate to each other, I added insights to the literature on understanding CSR as a mode of governance. From this perspective, CSR is an institutionally embedded phenomenon conceived as a form of self-regulation by industries and the voluntary regulation of value chains in the transnational sphere by multinational firms (Arora et al., 2020). In other words, it is called "the governance turn in CSR" (Arora et al., 2020). Awareness of this led scholars to study the institutionally

embedded nature of CSR. For example, Brammer et al. (2012) affirmed that CSR was a mode of governance that is immersed in a wider range of institutions governing the corporate world. While this voluntary regulation contributes to a global governance system, CSR is perceived as a response to the absence of a global governing authority (Djelic & Etchanchu, 2015; Fransen & Kolk, 2007; Sheehy, 2015). A main question then is how will different truth claims be supported by different social structures (Forsyth, 2015, p.113). This thesis provided insights of potential trust claims that might be competing in this global governing system.

Gillan et al. (2020) raised a question around to what extent do the demands and preferences of the society dominate firm's decisions. In this thesis, I aimed to understand what are these demands and preferences. Ultimately, my aim was to show that corporate management, CSR, ESG, and overall, the business and society research field, should integrate other approaches, for example from political ecology, environmental justice, sociology and cultural studies. A multi-disciplinary dialogue might be a good path to create a corporate global governance system that can be inclusive and democratic.

Moreover, the CSR discourse framework proposed here might be different in a developed or developing country. The CSR discourse framework proposed by this research is context dependent and varies according to the extent that:

1. the state sets rules for accessing and using the available natural resources;
2. inequalities and vulnerabilities are structurally embedded in the society;
3. there is an unequal distribution of knowledge, skills and power of negotiation between local (and Indigenous) communities and multinationals.

Further research on these three aspects could show nuances and enrich the understanding on how CSR works differently among and between developed and developing economies.

On the other hand, while many CSR studies are case studies or address CSR from a specific perspective (Crane et al., 2017; Maillet et al., 2021), this thesis takes a broad approach of CSR with nuances according to how CSR is understood by the discourses'

proponents. In this research, I aimed to explain CSR from different lenses showing that the different perspectives can imply an understanding that can even be in tension with other discourses. This is the methodological contribution of this thesis, an approach that could serve for future research projects intending to interpret empirical or secondary data. With the results of this thesis, we know now, that different stakeholders read CSR information in a different way because their mental models, and the meanings of the issues involved in the CSR actions are different for each discourse' proponent.

In terms of practical implications, the CSR discourse framework can be useful for policy makers while establishing rules and policies for governing business behaviour. Corporate managers at headquarters and those localized throughout the value chain can also benefit from being aware of major critiques on the role of corporations and the negative impact on firm performance and the risk portfolio. By addressing silent and silenced issues and power imbalance, companies can build more resilient relations with their communities of interest. An informed perspective from business executives about the real concerns and meaning of natural resources for local and Indigenous communities seems to be an approach that could drive operational continuity and sustainability. While the presence of mega infrastructure projects creates tensions and creates contradictory outcomes, discussing these tensions and contradictions between companies and communities could lead to a participatory process of determining the measures that could also be implemented.

From the contributions of this thesis, several specific recommendations can be derived:

1. Impact evaluations of corporate social programs in the communities should integrate qualitative data collection in their communities of interest, therefore this would lead to obtaining and maintaining the social license to operate.

2. Circular models can embrace new business opportunities for SMEs while bringing new insights about sustainable materials and processes that could allow businesses to reach out to new clients and markets. SMEs can advocate in front of governmental and inter-governmental agencies to inform the policymaking process about their main needs and markets and regulatory obstacles.

3. Senior corporate executives would be more successful in addressing the conflicts with the communities where they operate if they would embrace the local culture, understand the history of the conflict and consider the underlying roots of the tensions.

4 Senior corporate executives would be more successful in addressing CSR and conflicts if they would understand that social movements can change cultural power, affect the power imbalances, the community positioning towards a mining project, and even the policy related to the conflict.

This PhD is not a naïve contribution claiming that corporate power is about greedy or inward-looking managers or investors. I am aware that the complexity of the issues described in the thesis conclusions represent systemic problems. I do not see these problems as related just with human willingness, but with a complex network of factors intertwined in a dynamic way, which makes it difficult to create an effective governance system. Complex settings are rarely explained by one factor, however, in this thesis; I had to adopt certain lenses to read my results. This power perspective needs to be understood in terms of how power relates to knowledge, and vice versa. Additionally, the lack of knowledge and skills to listen the disruptive voices becomes a relevant issue that could be considered in further research. This contribution is not just a result from my PhD thesis; it also includes my reflections as a practitioner working for over 20 years with companies and their stakeholders in many countries in Latin America. This thesis, then, is the result of my personal concerns, my commitment with people that suffers the consequences of the extractive impacts, and the expression of my wishes for a more meaningful contribution from businesses towards an inclusive transition to sustainability.

5. Future research

A stakeholder view that remains outside the scope of this thesis is that of the employee. The CSR managers interviewed in Chapter 2 are still employees, but here I am referring to CSR in the view of control systems, whistle-blowers, working conditions, human rights at the firm's sites, and managerial incentives, among others. Further research is necessary to make connections between organizational and incentives structures and the CSR discourses (Filatotchev & Stahl, 2015). The CSR discourse from the employee perspective could be a follow-up research project to complement the framework proposed in this thesis.

On the other hand, future research could address the relationship between the extractive conflict management styles and the cost of the conflict. Franks et al. (2014) studied 50 extractive conflicts showing that managers fail at estimating a full scale of costs of their corporate conflicts with local communities. However, a clear idea about these costs could allow them to better influence the decision making about how to address the conflict. I believe that a study that could establish the relationships between the conflict management styles and the costs of conflict could show which are the most effective styles for cost saving. The results of this research could provide managers with a solid base for a cost-benefit analysis to justify the election of a specific conflict management style in their conversations with the board of directors or with the company investors.

Additionally, further research could be carried out to determine more clearly how ESG influence CSR and vice versa. In the introduction of this thesis, I have included the result of an extensive literature review on ESG, however, more empirical research could be conducted to confirm the perspective of the investors around the main purpose of CSR and ESG, and specifically their beliefs around how businesses should undertake their contribution towards sustainable development in emerging countries and developed ones.

As mentioned before, testing the CSR discourse framework, which was proposed mainly for Latin America, in other emerging settings, or comparing developed and developing countries, could also contribute to finding nuances, differences and similarities around how CSR plays out in these different contexts. Furthermore, the framework proposed in this thesis could be enriched by adding the development model preferences and forms of conservation governmentality (Fletcher, 2010). How to create a global governance system while there is an increasing dissent between different groups in the society around development preferences and the forms of governmentality can be a research question to address in the future.

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English summary

This thesis is about discourses in the field of corporate social responsibility (CSR) and specifically the discussion around the role of business and their contribution towards social development. These issues have implications for how the outcomes of development and progress are distributed in society and for how firms gain legitimacy. A review of CSR discourses was published in 2008 by Banerjee in the article "*Corporate social responsibility: The good, the bad and the ugly*". I believed it was necessary to update his review to consider the new emerging discourses that seek to change the main considerations around the concept of CSR, especially regarding the power relations CSR creates. This updating of CSR discourses is important from a practical point of view, for example, to provide information for multinationals that need to balance international CSR and ethical standards with the local needs of a diverse set of stakeholders spread across the globe.

A categorization of CSR discourses also seems to be necessary so that social movements and local communities can have an overview of the positions of the various stakeholders and their different mental models around the CSR concept. Therefore, the research gap that this thesis aims to address is the lack of a recent overview of the different CSR discourses that clarifies propositions around: What is the main purpose of CSR?; Who should define CSR?; and Who should benefit from the overall action of CSR?. The primary overarching research question of this thesis is: *How has CSR discourses of the last decade (2010-2020) changed the understanding of the relationship between business and society?* Secondary research questions are: How have the emerging CSR discourses reshaped ideas around business and society?; What should be the main purpose of CSR?; Who should define CSR?; and Who should benefit from CSR actions?. To address these questions, I developed a set of research papers, presented in the form of chapters. Their main findings are summarised below.

Chapter 2: While evidence based-decision making and quantitative evaluation can assist in better understanding whether a CSR program is having positive effects, evaluations can also serve to legitimize the corporate interest and silence diverse and potentially contesting views about the CSR program results and corporate behaviour. Then, I consider whether the interest of corporations to measure their CSR programs and the emergent use of quantitative evaluation methods could represent an increasing power imbalance situation.

Chapter 3: With increasing demands around measuring, mitigating and compensating for climate change challenges, international agencies are creating instruments, such as the Green New Deal and the Circular Economy Plan 2.0. These are creating new market opportunities that seem to be well adapted to the private sector. However, this could also imply an excessive regulatory burden, especially on SMEs, and the need to address technological investments and innovation processes that are necessary but costly. I argue that these new requirements on SMEs are likely to increase the power imbalance between multinationals and SMEs that now need to follow these new regulatory demands.

Chapter 4: Power imbalances can be exacerbated by poor corporate conflict management and thus increasing the dependency of vulnerable communities. In the case of mega-infrastructure projects, improved insights for conflict management theories can come from the research field of political ecology, with its concern about social justice and a fair distribution around the use of and access to natural resources. This could bring light to complexities in the relationships between nature and society, and can inform the business management research field.

Chapter 5: Social movements can achieve positive results in terms of cultural power change, the conflict positioning of people, and even policy change. However, the effects of social movement actions might not be able to change company behaviour. Although societal changes can occur, it is still unknown if companies will adapt and listen to new social demands and views about development preferences and local expressions around how extraction activities should operate, especially in biodiversity-rich areas.

The main conceptual contribution of this thesis is to present an updated framework of CSR discourses and their approaches regarding the relationship between business and society. Although I believe that the understanding of CSR has not fundamentally changed from Banerjee's (2008) thoughts, meaning that CSR is a legitimation tool, I have identified a range of competing discourses that have gained prominence, and I have considered their propositions around the main purpose of CSR, who should define this, and who should benefit from the CSR actions.

The framework of CSR discourses outlines six key CSR discourses that emerged between 2010 and 2020. (1) A 'post colonialist discourse', which understands that CSR seeks to legitimize corporate power and that corporations are deciding for themselves what their actions should be and benefiting from the CSR actions. (2) A 'political ecology discourse' that posits CSR should aim to respect and avoid actions that could interfere or harm local livelihoods, worldviews, and the culture of local communities. Thus, local communities should define and benefit from the CSR action. (3) A 'discourse around the policy effects of social movements', whose main proposition is that policy and institutions are key to rule CSR and business behaviour. For this discourse, social movements and citizens, especially those thinking about development models paths, should define and benefit from CSR. (4) Another discourse is proposing the 'quantitative measurement of CSR programs', because this can prove that CSR has positive results for communities and companies. Thus, CSR managers should define what is the CSR action about. (5) The 'green economy' discourse, which proposes that the aim of CSR is to transform business models to create carbon neutral companies. Then, multilateral organizations should define the CSR action. (6) And the "environmental, social and governance-ESG- discourse', which aims to offer low risk investment opportunities, meaning that investors and data vendors should define the content of CSR and that investors should be the main actor receiving benefits from the CSR actions.

While many CSR studies are case studies or address CSR from a specific perspective (Crane et al., 2017; Maillet et al., 2021), this thesis takes a broad approach of CSR, with nuances according to how CSR is understood by the discourses' proponents. In this research, I aimed to explain CSR from different lenses showing that the different perspectives can imply an understanding that can even be in tension with other discourses. This is the methodological contribution of this thesis, an approach that could serve for future research projects intending to interpret empirical or secondary data. With the results of this thesis, we know now that different stakeholders read CSR information in different ways because their mental models, and the meanings of the issues involved in the CSR actions, are different for each discourse proponent.

In terms of practical implications, the CSR discourse framework can be useful for policy makers while establishing rules and policies for governing business behaviour. Corporate managers at headquarters and those localized throughout the value chain can also benefit from being aware of major critiques on the role of corporations and the negative impact on firm performance and the risk portfolio. By addressing si-

lent and silenced issues and power imbalance, companies can build more resilient relations with their communities of interest. An informed perspective from business executives about the real concerns and meaning of natural resources for local and Indigenous communities seems to be an approach that could drive operational continuity and sustainability. While the presence of mega infrastructure projects creates tensions and creates contradictory outcomes, discussing these tensions and contradictions between companies and communities could lead to a participatory process of determining the measures that could also be implemented.

From the contributions of this thesis, several specific recommendations can be derived:

1. Impact evaluations of corporate social investment programs should include qualitative as well as quantitative data. The information gained from this qualitative data, if appropriately acted upon, will likely assist in obtaining and maintaining a social license to operate.

2. Circular business models can create new market opportunities for SMEs while also triggering innovations in relation to sustainable materials and processes. SMEs can advocate to government and multi-lateral government agencies to inform the policymaking process about their main needs, and the market and regulatory obstacles they face.

3. Senior corporate executives would be more successful in addressing the conflicts with the communities where they operate if they would embrace the local culture, understand the history of the conflict, and consider the underlying roots of the tensions.

4. Senior corporate executives would be more successful in addressing CSR and conflict if they would understand social movements, including that social movements can change cultural power, transform power imbalances, affect the community positioning towards a mining project, and even influence public policies about issues related to the conflict.

Samenvatting

Dit proefschrift gaat over het discours op het gebied van maatschappelijk verantwoord ondernemen (MVO, oftewel *corporate social responsibility*, CSR), en in het bijzonder over de discussie rond de rol van bedrijven en hun bijdragen aan maatschappelijke ontwikkeling. Deze onderwerpen hebben gevolgen voor de wijze waarop de uitkomsten van ontwikkeling en vooruitgang hun weg vinden binnen de maatschappij en voor de wijze waarop bedrijven legitimiteit verkrijgen. In 2008 publiceerde Banerjee een review van CSR-discoursen in het artikel "*Corporate social responsibility: The good, the bad and the ugly*". Ik was van mening dat het noodzakelijk was om deze review te actualiseren, om daarbij ook de nieuwe discoursen te bespreken die tot doel hebben de belangrijkste overwegingen rond het concept CSR te veranderen, met name met betrekking tot de machtsrelaties die door CSR tot stand worden gebracht. Het actualiseren van de CSR-discoursen is belangrijk vanuit praktisch oogpunt, bijvoorbeeld om te voorzien in informatie voor multinationals die de balans moeten vinden tussen internationale CRS-normen en ethische normen enerzijds, en de lokale behoeften van diverse stakeholders van over de hele wereld anderzijds.

Een categorisering van CSR-discoursen lijkt ook noodzakelijk om maatschappelijke bewegingen en lokale gemeenschappen een overzicht te bieden van de posities van diverse stakeholders en hun verschillende mentale modellen rondom het CSR-concept. De onderzoeksleemte die ik met dit proefschrift beoog te vullen bestaat daarmee dus uit het gegeven dat er geen recent overzicht is van de verschillende CSR-discoursen waarmee proposities worden verhelderd rond: Wat is het hoofddoel van CSR?; Wie zou CSR moeten definiëren?; en Wie zou er baat moeten hebben bij de activiteiten die voortvloeien uit CSR? De primaire, overkoepelende onderzoeksvraag van dit proefschrift is: *Hoe hebben de CSR-discoursen van het afgelopen decennium (2010-2020) het begrip van de relatie tussen bedrijven en maatschappij veranderd?* Secundaire onderzoeksvragen zijn: Hoe zijn ideeën rond bedrijven en maatschappij hervormd door de opkomende CSR-discoursen?; Wat zou het hoofddoel van CSR moeten zijn?; en Wie zou er baat moeten hebben bij de acties die voortkomen uit CSR? Om deze vragen te beantwoorden heb ik een aantal onderzoeksartikelen geschreven, die hier worden gepresenteerd in de vorm van hoofdstukken. De belangrijkste bevindingen hiervan zijn hieronder samengevat.

Hoofdstuk 2: Hoewel evidence-based besluitvorming en kwantitatieve evaluatie inzicht kunnen verschaffen in de mogelijke positieve effecten van een CSR-programma, kunnen evaluaties ook dienen om het bedrijfsbelang te legitimeren en verschillende, mogelijk tegengestelde meningen over de uitkomsten van het CSR-programma en het gedrag van de onderneming te smoren. Vervolgens bespreek ik of de interesse van corporaties om hun CSR-programma's te meten, alsmede het opkomende gebruik van kwantitatieve evaluatiemethoden, een teken kunnen zijn van een situatie waarin een toenemende onbalans van macht bestaat.

Hoofdstuk 3: Met de toenemende eisen rondom het meten, beperken van en compenseren voor de uitdagingen waarvoor de klimaatverandering ons stelt, ontwikkelen internationale agentschappen instrumenten zoals de Green New Deal en het Circular Econony Plan 2.0. Deze instrumenten zorgen voor nieuwe marktkansen die goed lijken aan te sluiten op de private sector. Dit kan echter ook wijzen op een overmatige regelgevingslast, met name voor middelgrote en kleine bedrijven, en de noodzaak om technologische ontwikkelingen en innovatieprocessen door te voeren die weliswaar nodig, maar ook duur zijn. Ik beargumenteer dat deze nieuwe eisen voor MKB-bedrijven zullen leiden tot een toename in de machtsongelijkheid tussen multinationals en MKB-bedrijven die aan deze nieuwe regelgeving moeten voldoen.

Hoofdstuk 4: Machtsongelijkheid kan worden versterkt door slecht conflictmanagement door bedrijven, waardoor de afhankelijkheid van kwetsbare gemeenschappen wordt vergroot. In het geval van mega-infrastructuurprojecten kan het onderzoeksveld politieke ecologie verbeterd inzicht bieden in conflictmanagementtheorieën, daar dit veld zich bezighoudt met maatschappelijke rechtvaardigheid en een eerlijke verdeling van het gebruik van en de toegang tot natuurlijke hulpbronnen. Dit kan licht werpen op de complexiteiten in de relaties tussen natuur en maatschappij, en dienen als informatie voor onderzoek op het gebied van bedrijfsmanagement.

Hoofdstuk 5: Maatschappelijke bewegingen kunnen positieve resultaten bereiken op het gebied van culturele machtsverandering, de conflictpositie van mensen, en zelfs op het gebied van beleidsverandering. Mogelijk leiden de effecten van de acties van maatschappelijke bewegingen echter niet tot een verandering in het gedrag van

ondernemingen. Hoewel maatschappelijke veranderingen kunnen voorkomen, is het nog niet bekend of bedrijven ook willen luisteren naar, en zich willen aanpassen aan, sociale veranderingen en meningen over ontwikkelvoorkeuren en lokale uitingen over hoe winningsactiviteiten eruit zouden moeten zien, met name in gebieden met een rijke biodiversiteit.

De belangrijkste conceptuele bijdrage van dit proefschrift is de presentatie van een bijgewerkt raamwerk van CSR-discoursen en hun benaderingen op het gebied van de relatie tussen bedrijven en maatschappij. Hoewel ik van mening ben dat het beeld van CSR niet fundamenteel is veranderd sinds de ideeën van Banerjee (2008), wat wil zeggen dat CSR een legitimeringstool is, heb ik een aantal concurrerende discoursen kunnen onderscheiden die een steeds nadrukkelijkere positie innemen. Hiervan heb ik bekeken wat hun proposities zijn met betrekking tot het hoofddoel van CSR, wie dit zou moeten definiëren, en wie er baat zou moeten hebben bij de acties die voortkomen uit CSR.

In het raamwerk van CSR-discoursen zijn zes belangrijke CSR-discoursen uiteengezet die tussen 2000 en 2020 zijn ontstaan. (1) Een 'postkolonialistisch' discours, dat naar voren brengt dat CSR tracht *corporate power* te legitimeren en dat bedrijven de CSR-acties zouden moeten definiëren en er baat van zouden moeten hebben. (2) Een 'politieke ecologie'-discours, dat beargumenteert dat CSR lokale vormen van levensonderhoud, wereldbeeld en de cultuur van lokale gemeenschappen moet respecteren en acties moet vermijden die daarmee in strijd zijn. Hieruit volgt dat lokale gemeenschappen de CSR-acties zouden moeten definiëren en er baat van zouden moeten hebben. (3) Een discours rond 'de beleidseffecten van maatschappelijke bewegingen', waarvan de hoofdpropositie is dat beleid en instituten van essentieel belang zijn voor het reguleren van CSR en gedrag van ondernemingen. Voor dit discours zouden maatschappelijke bewegingen en burgers, vooral degenen die zich bezighouden met de richting van ontwikkelmodellen, degenen moeten zijn die CSR zouden moeten definiëren en er baat bij zouden moeten hebben. (4) Een ander discours stelt een 'kwantitatieve meting van CSR-programma's' voor, omdat dit kan aantonen dat CSR positieve effecten kent voor zowel gemeenschappen als bedrijven. Hieruit volgt dat CSR-managers zouden moeten definiëren waaruit de CSR-acties bestaan. (5) Het 'groene economie'-discours, wat stelt dat CSR tot doel heeft bedrijfsmodellen om te vormen tot CO2-neutrale bedrijven. Hieruit volgt dat multilaterale organisaties zouden moeten

definiëren waaruit de CSR-acties bestaan. (6) En het 'ESG-discours' (d.w.z. het discours met betrekking tot milieu-, sociale en bestuursaspecten). Dit discours heeft tot doel investeringsmogelijkheden met laag risico te bieden, wat wil zeggen dat investeerders en datavendors zouden moeten definiëren wat CSR inhoudt, en dat investeerders de belangrijkste spelers zouden moeten zijn die baat hebben bij de CSR-acties.

Hoewel veel van de onderzoeken naar CSR bestaan uit casestudy's, of CSR benaderen vanuit een specifiek perspectief (Crane et al., 2017; Maillet et al., 2021), biedt dit proefschrift een brede benadering van CSR, met nuanceringen die aansluiten bij het beeld van CSR van de voorstanders van de diverse discoursen. Met behulp van dit onderzoek heb ik getracht CSR vanuit verschillende uitgangspunten uit te leggen, en daarbij aan te tonen dat de verschillende perspectieven kunnen leiden tot inzichten en interpretaties die zelfs op gespannen voet kunnen staan met andere discoursen. Dit is de methodologische bijdrage van dit proefschrift; een benadering die toegepast kan worden door toekomstige onderzoeksprojecten voor het interpreteren van empirische of secundaire data. Dankzij de uitkomsten van dit proefschrift weten we nu dat verschillende stakeholders CSR-informatie op verschillende manieren lezen, omdat hun mentale modellen en de betekenis van de kwesties die een rol spelen bij de CSR-acties verschillend zijn voor de elk van de voorstanders van de diverse discoursen.

Qua praktische toepassing kan het CSR-raamwerk nuttig zijn voor beleidsmakers bij het opstellen van regels en beleid voor toezicht op bedrijfsgedrag. Voor corporate managers op hoofdkantoren en managers op locaties binnen de waardeketen kan het ook nuttig zijn om zich bewust te zijn van de belangrijke kritiek op de rol van ondernemingen en de negatieve impact op de prestaties van de onderneming en de risicoportefeuille. Door verzwegen en stilgehouden kwesties en machtsongelijkheid bespreekbaar te maken, kunnen ondernemingen sterkere relaties opbouwen met gemeenschappen die voor het bedrijf belangrijk zijn. Een benadering waarmee operationele continuïteit en duurzaamheid kunnen worden gewaarborgd, lijkt eruit te bestaan dat leiders van ondernemingen een goed onderbouwd inzicht in en perspectief hebben op de werkelijke belangen en betekenis van natuurlijke hulpbronnen voor lokale en inheemse gemeenschappen. Hoewel de aanwezigheid van mega-infrastructuurprojecten leidt tot spanningen en tegenstrijdige uitkomsten, kan het bespreken van deze spanningen en tegenstrijdigheden tussen bedrijven en gemeenschappen wel leiden tot een participatieproces waarbij de maatregelen die ook zouden kunnen worden geïmplementeerd worden vastgesteld.

Op basis van dit proefschrift kunnen verschillende specifieke aanbevelingen worden gedaan:

1 Impactevaluaties van programma's op het gebied van maatschappelijk verantwoord ondernemen moeten zowel kwalitatieve als kwantitatieve data omvatten. Indien er op de juiste wijze wordt gehandeld, kan de informatie die wordt verworven met deze kwalitatieve data bijdragen aan het verkrijgen en behouden van maatschappelijk draagvlak (een *social license to operate).*

2 Circulaire bedrijfsmodellen kunnen nieuwe marktkansen voor middelgrote en kleine bedrijven creëren, en bovendien innovaties op het gebied van duurzame materialen en processen op gang brengen. MKB-bedrijven kunnen er bij overheidsinstanties en multilaterale overheidsdiensten op aandringen het beleidsvormingsproces te informeren over hun belangrijkste behoeften en de markt- en regelgevingsproblemen waarmee ze te maken hebben.

3 Topmanagers zouden de conflicten met de gemeenschappen waarbinnen zij opereren succesvoller kunnen aanpakken indien zij de lokale cultuur omarmen, de geschiedenis van het conflict begrijpen, en de onderliggende oorzaken van de spanningen in ogenschouw nemen.

4 Topmanagers zouden succesvoller zijn in hun aanpak van CSR en conflicten indien ze kennis en begrip hebben van maatschappelijke bewegingen, zoals de wetenschap dat maatschappelijke bewegingen culturele macht kunnen veranderen, machtsongelijkheid kunnen transformeren, de positie van de gemeenschap met betrekking tot een mijnbouwproject kunnen beïnvloeden, en zelfs van invloed kunnen zijn op openbaar beleid dat betrekking heeft op het conflict.

Resumen en español

Esta tesis aborda el estudio de los discursos de la Responsabilidad Social Empresarial (RSE) y el debate en torno al papel de las empresas y su contribución al desarrollo. Estos temas tienen implicaciones en cómo se distribuyen los beneficios del desarrollo y del progreso en la sociedad y en cómo las empresas obtienen su legitimidad. En 2008, el profesor Banerjee publicó un artículo sobre los discursos de RSE que tuvo como título "Responsabilidad social corporativa: lo bueno, lo malo y lo feo". Sin embargo, como la RSE ha cambiado bastante, creí necesario actualizar esta revisión y, así, considerar cómo los nuevos discursos emergentes entienden el concepto y las relaciones de poder que crea la RSE. Esta revisión actualizada puede ser relevante desde un punto de vista práctico, por ejemplo, para brindar información a las multinacionales que necesitan equilibrar las necesidades locales de grupos repartidos por todo el mundo con un accionar coherente a nivel global (Filatotchev & Stahl, 2015). Dicha revisión también puede aportar a que los movimientos sociales y las comunidades locales tengan una visión general de cuáles son las diversas posiciones que existen y los diferentes modelos mentales en torno al concepto de RSE. Así, la brecha de investigación que esta tesis pretende cubrir es la falta de un panorama general reciente y actualizado sobre cuáles son los diferentes discursos de la RSE y sus perspectivas en torno a: ¿Cuál es el propósito principal de la RSE? ¿Quién debe definir las acciones de RSE?, y ¿Quién debe beneficiarse de la acción de la RSE? De esta manera, la principal pregunta de investigación de esta tesis es: ¿Cómo han cambiado los discursos de RSE en la última década (2010-2020) su comprensión acerca de la relación entre empresa y sociedad? Las preguntas de investigación secundarias son: ¿Cómo han reformado los discursos emergentes de la RSE las ideas en torno a cuál debe ser el propósito principal de la RSE? ¿Quién debe definir la RSE? y ¿Quién debe beneficiarse de las acciones de RSE? Para abordar estas preguntas, desarrollé un conjunto de artículos, presentados en forma de capítulos cuyas principales conclusiones sintetizo a continuación:

Capítulo 2: Si bien la toma de decisiones basada en evidencias de evaluaciones cuantitativas puede ayudar a comprender si un programa de RSE está teniendo efectos positivos en sus comunidades de interés, dichas evaluaciones también pueden servir para legitimar el interés corporativo y silenciar puntos de vista diversos y potencialmente contradictorios sobre los resultados del programa de RSE y el comportamiento de las empresas. Este capítulo indaga en el interés de las corporaciones por medir sus programas de RSE y en entender si el uso emergente de métodos de evaluación cuantitativos podría representar una situación de creciente desequilibrio de poder entre las empresas y las comunidades que reciben dichos programas.

Capítulo 3: A partir de la necesidad creciente de impulsar acciones concretas para la mitigación y compensación del cambio climático, los organismos internacionales están creando instrumentos, como el Pacto Verde Europeo y el Plan de Acción de Economía Circular 2.0. Estos mecanismos parecen estar bien adaptados al sector privado y podrían suponer la apertura de nuevas oportunidades de mercado. Sin embargo, cuando indagamos sobre su efecto en relación a las PYMES, los instrumentos mencionados también podrían implicar una carga regulatoria excesiva y la necesidad de abordar inversiones tecnológicas y procesos de innovación que son necesarios pero costosos. El argumento principal del capítulo es que estos nuevos instrumentos y sus requisitos pueden aumentar las situaciones de desequilibrio de poder entre las multinacionales y las PYMES que ahora necesitan seguir nuevas exigencias regulatorias.

Capítulo 4: En general, la gestión empresarial de los conflictos extractivos suele ser poco acertada. Esto tiene consecuencias en que se incrementen los desequilibrios de poder entre las empresas y sus comunidades y en que las comunidades más vulnerables aumenten su nivel de dependencia en las empresas. En el caso de los megaproyectos de infraestructura, una visión renovada de las teorías de gestión de conflictos extractivos, puede provenir del campo de investigación de la ecología política, cuya preocupación central se centra en la justicia social y en lograr una distribución equilibrada en el acceso y uso de los recursos naturales. La contribución de este artículo se centra en cómo mejorar la gestionar los conflictos territoriales. Se proponen nuevos conceptos que el campo de investigación de la gestión empresarial podría incluir para seguir enriqueciendo las teorías sobre la gestión de los conflictos socio-ambientales extractivos (Karriem, 2009).

Capítulo 5: Los movimientos sociales tienen capacidades para lograr cambios en el poder cultural que, a su vez, pueden transformar el posicionamiento de los actores en un conflicto socio-ambiental e incluso impulsar cambios en las políticas públicas vinculadas a los aspectos del conflicto. Sin embargo, en este capítulo, identificamos que, más allá de todos estos resultados, no necesariamente se dará un cambio en el comportamiento de las empresas. Si bien los movimientos sociales pueden impulsar transformaciones sociales, aún se desconoce si las empresas extractivas se adaptarán y escucharán las demandas sociales, los puntos de vista que expresen preferencias de desarrollo no extractivista y las manifestaciones que hagan las comunidades locales sobre cómo deben operar las empresas extractivas en ciertas áreas ricas en biodiversidad.

La principal contribución a la literatura que realiza esta tesis es presentar un marco actualizado de los discursos de la RSE y sus enfoques sobre las relaciones de poder entre las empresas y la sociedad. Los discursos de la RSE identificados intentan alterar estas relaciones de poder y también quién podrá legitimar su poder con la RSE: los inversores, los ejecutivos de las empresas, los analistas de datos o las comunidades y los movimientos sociales. En este estudio, pude advertir que, si bien la definición de RSE no ha cambiado de aquella propuesta por el profesor Banerjee (2008), lo que significa que la RSE sigue siendo una herramienta de legitimación, aquí he identificado los nuevos discursos que han ganado visibilidad y sus principales planteos en torno cuál debe ser el propósito de la RSE, quién debe definirlo y quién debe beneficiarse de la acción de RSE.

En esta tesis, identifiqué que en los años 2010 y 2020 se pusieron de relieve y ganaron visibilidad seis discursos nuevos en torno a la RSE: (1) Un 'discurso poscolonialista', que entiende que la RSE busca legitimar el poder corporativo y que las corporaciones son las que actualmente definen y se benefician de las acciones de RSE. (2) Un 'discurso de la ecología política' que postula que la RSE debe apuntar a respetar y evitar acciones que puedan interferir o dañar los medios de vida locales, las visiones sobre el mundo y la cultura de las comunidades locales. Por lo tanto, las comunidades locales deben definir y beneficiarse de la acción de RSE. (3) Un 'discurso sobre los efectos políticos de los movimientos sociales', cuya propuesta principal es que las políticas y las instituciones son clave para regir la RSE y el comportamiento empresarial. Para este discurso, los movimientos sociales y ciudadanos, especialmente aquellos que piensan en modelos de desarrollo alternativos al extractivismo, son quienes deben definir y beneficiarse de la RSE. (4) Otro discurso identificado propone que la 'medición cuantitativa de los programas de RSE' puede comprobar que la RSE y, por ende, las empresas tienen resultados positivos para sus comunidades de interés. Para este discurso, son los gerentes de RSE los que deben definir las acciones en este sentido. (5) El discurso de la 'economía verde' propone que el objetivo de la RSE debe ser transformar los modelos de negocio para crear empresas neutras en carbono. Así, son los organismos multilaterales quieres deben definir la acción de RSE. (6) El 'discurso ambiental, social y de gobernanza -ESG-', cuyo objetivo es ofrecer oportunidades de inversión de bajo riesgo. En este discurso son los inversores y los analistas de datos quienes deben definir el contenido de la RSE y los inversores los que principalmente deben beneficiarse con dichas acciones.

Esta tesis se distingue de las perspectivas metodológicas más utilizadas en el campo, como los estudios de casos o el abordaje la RSE desde una perspectiva específica (Crane et al., 2017; Maillet et al., 2021). En esta investigación se presenta una aproximación metodológica diferente que es estudiar la RSE de acuerdo a cómo es entendida por los proponentes de los diferentes discursos. Esta propuesta permite mostrar que no existe hasta la actualidad un concepto de RSE que haya logrado un consenso generalizado, sino más bien, que el concepto y su entendimiento puede variar significativamente hasta el punto en que los discursos pueden entrar en tensión y contradicción. Entonces, este es el aporte metodológico de la presente tesis, un enfoque que puede servir para futuros proyectos de investigación al momento de interpretar datos empíricos o secundarios. Con los resultados de esta tesis, ahora sabemos que los diferentes actores leerán la información de RSE de manera diferente porque sus modelos mentales y el significado que le atribuyen a los temas involucrados en el accionar empresarial son diferentes para cada uno de los discursos previamente identificados.

En relación a las implicaciones prácticas de esta investigación, el marco de discursos de la RSE propuesto, puede ser útil para los responsables de la formulación de políticas públicas al momento de establecer reglas y políticas para regular el comportamiento empresarial. Los gerentes corporativos en la sede central y aquellos ubicados a lo largo de la cadena de valor también pueden beneficiarse por estar al tanto de las principales críticas sobre el papel de las corporaciones, algo que puede tener un impacto negativo en el desempeño de la empresa y en la cartera de inversiones. Al abordar los problemas silenciados y los aspectos vinculados al desequilibrio de poder, las empresas podrían construir relaciones más resilientes con sus comunidades de interés. Si los ejecutivos de empresas lograran tener una perspectiva informada de las preocupaciones reales y el significado de los recursos naturales para las comunidades locales e indígenas sería más probable que también logren la continuidad y sostenibilidad operativa de sus negocios. Más allá de que posiblemente la presencia de megaproyectos de infraestructura siga creando tensiones y resultados contradictorios, discutir estas tensiones y contradicciones entre las empresas y las comunidades podría conducir a un proceso participativo para determinar las medidas que es necesario implementar para no causar daño y tratar de promover el mayor bienestar y desarrollo local posible.

De las contribuciones de esta tesis se derivan algunas recomendaciones prácticas:

1. Las evaluaciones de impacto de los programas sociales de las empresas en sus comunidades locales deben integrar la recopilación de datos cuantitativos, pero también deben recolectar datos cualitativos en sus comunidades de interés. Esto conducirá no solo a obtener y mantener la licencia social para operar sino también a entender cuáles son los aspectos importantes para las comunidades locales.

2. Los modelos de negocios circulares pueden ofrecer nuevas oportunidades comerciales para las PYME al tiempo que brindan nuevos conocimientos sobre materiales y procesos sostenibles que podrían permitir a las empresas llegar a nuevos clientes y mercados. Sin embargo, las reglas de juego que colocan las organizaciones multilaterales podrían implicar cargas regulatorias excesivas y terminar siendo más bien un desafío antes que un aliciente comercial para este segmento. Por ello, es importante que las PYME puedan ejercer influencia colectiva ante las agencias gubernamentales e intergubernamentales para que la formulación de las políticas sectoriales tenga en cuenta sus principales necesidades y los obstáculos de mercado como regulatorios que enfrentan.

3. Los altos ejecutivos corporativos tendrían más éxito al abordar los conflictos socio-ambientales con las comunidades locales donde operan si conocieran en profundidad la cultura local, la historia del conflicto y las razones más profundas de sus reclamos.

4. Los altos ejecutivos corporativos tendrían más éxito en abordar la RSE y los conflictos territoriales si comprendieran que los movimientos sociales tienen el potencial de cambiar el poder cultural en una comunidad, afectando los desequilibrios de poder, el posicionamiento de grupos hacia un proyecto minero e incluso la política pública relacionada con los aspectos en conflicto.

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Sincerely,
Yanina

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Esta tesis no podría ser una realidad sin el apoyo de mi familia, y en especial, de mis padres, quienes desde muy joven me motivaron a sentirme libre para seguir mis sueños y avanzar profesionalmente. Esta tesis está dedicada a ellos. Mis amigas, sin duda, han sido una compañía muy bonita para escucharme y compartir inquietudes intelectuales. Especialmente, quiero agradecer por las tertulias semanales con Lizbeth Arroyo quien ha pensado conmigo cada parte de esta tesis. Gracias también a Carolina Muñoz por ayudarme desde el inicio hasta el final.

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Con cariño,
Yanina

About the author

My first experience with companies and the topic of this thesis was 22 years ago, when I collaborated to organize a Latin American CSR conference. Very shortly after, I began teaching classes to senior executives in many Latin American countries. From that moment on, I began to discuss the issues of corporate power and its relations with communities and other groups.

Since then, I have provided research and technical assistance services to NGOs, local and national governments, micro and small companies, but also multinationals, development banks, international and multilateral organizations. These experiences, in addition to taking me to many territories, communities, forests, and various operations such as factories and mines, have allowed me to hear different voices about my subject of study. These actors also challenged me to understand their rationality and their interests.

I originally studied Political Science. I specialized in management of non-profit organizations and in impact evaluation of programs and public policies. I did a Master's degree in Latin America and a PhD in a co-tutelle arrangement between the University of Barcelona and the University of Groningen.

Sobre la autora

Mi experiencia con empresas y el tema de esta tesis empezó hace 22 años, cuando estuve a cargo de organizar una conferencia latinoamericana de RSE. Muy poco después empecé a dictar clases a altos ejecutivos en muchos países de Latinoamérica. Desde este momento, comencé a debatir los temas del poder empresarial y sus relaciones con las comunidades y otros grupos involucrados.

Durante estos años, he prestado servicios de investigación y asistencia técnica a ONG, gobiernos locales y nacionales, a micro y pequeñas empresas, pero también multinacionales, bancos de desarrollo, organizaciones internacionales y multilaterales. Estas experiencias, además de llevarme a muchos territorios, comunidades, bosques, y diversas operaciones como fábricas y minas, entre otros, me han permitido escuchar diversas voces sobre mi tema de estudio. Estos actores me desafiaron también para entender su racionalidad y sus intereses.

Estudié Ciencia Política. Me especialicé en gestión de organizaciones sin fines de lucro y en evaluación de impacto de programas y políticas públicas. Realicé una Maestría en América Latina y un doctorado en cotutela en la Universidad de Barcelona y la Universidad de Groningen.

PhD thesis

Contact: yaninakow@gmail.com

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