The intersection of corporate social responsibility guidelines and indigenous rights: Examining neoliberal governance of a proposed mining project in Suriname

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ABSTRACT

With neoliberal reforms and the growth of multinational mining investment in developing countries, corporate social responsibility (CSR) has become notable (and debatable) for its potential to fill a social and environmental governance gap. As yet, there has been limited analytical attention paid to the political struggles and power dynamics that get reflected through specific CSR guidelines and their implementation in local contexts; this is particularly apparent with respect to the human rights dimension of CSR, and more specifically, indigenous rights. This study documents the debates, issues of accountability, and different interpretations of CSR between NGOs representing indigenous rights and a mining corporation. These debates focus on environmental impact assessments; indigenous rights to land; and the indigenous right to Free, Prior, and Informed Consent. These exchanges illustrate the socio-political, as well as economic, positioning of these actors, and the different agendas associated with their positions that determine issues of accountability and shape alternate interpretations of CSR guidelines. The outcomes of these debates also reflect the different degrees of power that these actors hold in such contexts, irrespective of the strength or validity of their arguments about CSR. This dialogue is thereby a lens into the more complex and contentious entanglements that emerge with CSR as a mode of governance, as it plays out ‘on the ground.’ These findings also reinforce questions regarding what we can expect of CSR as a mode of governance for addressing human rights issues with resource extraction projects, particularly within the constraints of overriding political and social structures.

1. Introduction

Encounters with multinational mining ventures are an increasing reality for indigenous peoples worldwide (Gedicks, 2001). These encounters are largely a function of globalization and its variant, neoliberalism, which, for the purposes of this article is broadly referred to as a political-economic process facilitating the movement of capital across national boundaries. Such encounters produce significant changes and important implications for indigenous populations both in terms of the environments that they depend on, and their right to participate in, approve, or reject multinational mineral extraction projects. These changes are especially pronounced in developing countries, where economic development is frequently prioritized at the expense of the public good. At the same time, the entrance of multi-national corporations (MNCs) is facilitated through state policies supporting neoliberal reforms that include efforts at privatizing, liberalizing, and deregulating (or reregulating) national economies, producing a need for alternative modes of social and environmental governance in these contexts.

With neoliberal reforms and the growth of foreign investment in developing countries, CSR has become notable for its potential to fill an environmental and social governance gap (Hertz, 2001). This is due to the existence of weak central governments and limited social infrastructure spending, as well as minimal environmental regulations and enforcement measures in place (Zarsky, 2002). In addition, CSR provides a mechanism by which local communities and their transnational networks can pressure MNCs to recognize human rights, rights that the state may not be recognizing either in principle and/or practice. The responsibility conveyed upon non-state actors to adopt and implement CSR principles as well as the voluntary/self-regulatory nature of the governance tool signifies it as a neoliberal mode of social and environmental governance (Reed, 2002).

While the concept of corporate social responsibility continues to be debated on a number of different fronts, there has thus far been very limited analytical attention paid to the political struggles and power dynamics that get reflected through CSR guidelines and their implementation in local contexts, and the contribution of CSR to social justice (see Prieto-Carrón et al., 2006; Banerjee, 2007; Howitt and Lawrence, 2008). This is particularly the case with respect to corporate recognition of human rights, and more specifically, indigenous rights in CSR guidelines. Indigenous rights are important to consider as distinct rights, given the special relation-
ship to lands and resources that indigenous peoples hold, and the specific rights ascribed to them in international legal instruments. These are rights which indigenous groups can harness as political leverage in encounters with large-scale development activities.

Assessing CSR as a governance tool subject to political struggle and power dynamics means assessing it as a reflection of actor interests and agendas. This necessitates understanding how non-state actors are positioned in relation to resource development projects, and interrogating the types of exchanges that take place between different sets of non-state actors which include non-governmental organizations (NGOs), communities, and industry, as they decipher and interpret CSR guidelines. In analyzing these interactions, and the resulting outcomes, important insights can be produced into the complexities and challenges of CSR as an experimental mode of social and environmental governance; this includes considering its potential for addressing specific environmental and human rights issues in practice. A rights-based approach to CSR also facilitates a deeper understanding of how conflict arises and gets sustained in the context of communities and large-scale resource extraction projects (Boele et al., 2001).

As such, this study examines both the processes and outcomes of CSR implementation by considering the following questions: (1) How do non-state actors engage in debates about CSR guidelines and their implementation? (2) What kinds of expectations and issues of accountability are associated with CSR? (3) What are the outcomes of these debates for environmental protection and indigenous rights?

These questions are addressed in this article by documenting how the leaders of three indigenous communities in Suriname, a small developing country in South America, and their NGO counterparts held multinational mining corporations accountable to CSR guidelines in the face of the largest proposed mining development in Suriname’s history. The NGOs included an indigenous rights organization known as The Association of Indigenous Village Leaders in Suriname (Bureau VIDS), and the North–South Institute (NSI), a Canadian rights-based international development organization. In the absence of adequate environmental and social protections in Suriname, BHP Maatschappij Suriname (BMS) and Suralco (whose parent companies are the multinationals BHP Billiton and Alcoa respectively), were the companies responsible for regulating the environmental quality, and social justice (Elkington, 1997).

The recognition of indigenous rights as laid out international legal instruments emerged as a central accountability issue for communities in these engagements, where the state has not yet recognized such rights and there exists an ongoing land rights struggle in Suriname. This form of contention and engagement provided insights into the nature of the conflict surrounding mining, and also reinforced questions regarding what type of governance role corporations should be expected to fulfill in these contexts.

This article is organized by first reviewing the concept of CSR as a mode of governance for addressing human rights issues. Following this, the history of bauxite mining and neoliberal reforms in Suriname is described within the context of global and regional patterns of mining investment. The subsequent section provides an overview of gaps in environmental and social protections with mining projects in Suriname, as well as a description of the NGO and corporate actors in this research. The case study of bauxite mining in Western Suriname is then introduced. This is followed by relating how the NGOs and community leaders held industry accountable to CSR guidelines, and industry’s response to these challenges. The final section provides conclusions and a discussion of the findings from this study, and questions which remain from this research.

2. Corporate social responsibility and human rights

Corporate social responsibility is a far-reaching concept and has become catch-all for referring to voluntary codes or declarations aimed at sustainable development; these are essentially ‘soft law’ governance instruments that include codes of conduct developed by individual companies or sectors, NGOs, and governments or inter-governmental organizations (Sullivan, 2003). Though there is no uniform definition of CSR, the triple bottom line of CSR is often cited as balanced progress on economic development, environmental quality, and social justice (Elkington, 1997).

The World Business Council for Sustainable Development defines CSR as ‘...the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large’ (WBCSD, 1998).

One of the more significant and contentious debates about CSR revolves around the scope of responsibilities the corporation should (or should not) take on in society through this mode of governance. For example, the community development approach to CSR rests on corporate contributions to community development projects; this includes road building, the provision of electricity infrastructure, schools, job opportunities, and micro-credit lending schemes. These can be a means for corporations to achieve community buy-in and limit resistance to resource development projects given the environmental and social costs being generated through these projects (Cragg and Greenbaum, 2002).

Critics of the community development approach to CSR charge that it is disingenuous and ineffective in generating real social improvements for communities (Frynas, 2005; Newell, 2005; Levy and Kaplan, 2008; Sawyer and Gomez, 2008). For example, case studies from South Africa found that corporate sponsored social development projects focusing on health, education, and small business development were provided only to certain communities and elites (Kapelus, 2002), with a lack of commitment to squatter settlements (Hamann, 2004). The community development approach may also fail in attempts to minimize conflict and/or enhance corporate–community relations. For example, companies may invest in community social and economic development projects without meaningfully engaging with diverse membership of local communities, or they may lack appreciation and respect for the complex and politically charged social dynamics of the local and regional contexts in which they’re operating; this resulted in sustained community–corporate conflict with large-scale resource extraction projects in places such as the Niger Delta and Ecuador (see Ite, 2004; Sawyer, 2004; Zalik, 2004; Frynas, 2005; Idemudia and Ite, 2006).

A more demanding approach to CSR as a mode of neoliberal governance posits that corporations have a greater moral and ethical responsibility towards the societies in which they operate. Three broad areas of ethical concerns in relation to MNC global investment pertain to recognition and respect for human rights: labour conditions, wages and worker rights; environmental and resource degradation (human rights to a clean environment); and civil, political, economic, social and cultural human rights (Zarsky, 2002). Oil, gas, and mining projects have been particularly criticized

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1 Labour rights and civil, political, economic, social, and cultural rights are enshrined in international human rights instruments that include: the International Labour Organization Convention 169 (1989); the Universal Declaration on Human Rights (1948); the International Covenant on Civil and Political Rights (1966); the International Covenant on Economic, Social and Cultural Rights (1966). The human right to a clean environment is not as well documented, but it is explicitly laid out in regional instruments such as the American Convention on Human Rights (1969) and the African Charter on Human and Peoples’ Rights (1979). In 2010, the UN General Assembly recognized access to clean water as a human right. Environmental human rights can also be viewed as deriving from other human rights such as the right to life and the right to health.
by NGOs for their role in or association with human rights violations (Sullivan, 2003). To date, however, there has been less empirical scholarship focused on the human rights dimension of CSR as an evolving area of neoliberal governance, and what this means for corporate–community engagements in the context of resource extraction projects in developing countries.

The United Nations has led inter-governmental attempts to create a CSR framework that explicitly addresses human rights. John Ruggie’s ‘Protect, Respect, and Remedy Framework’ was adopted by the UN Human Rights Council in 2008. The framework makes clear that while the state has a duty to protect human rights, there is no legal obligation for companies to do the same, and they are instead urged to look towards international legal instruments for guidance (e.g. the UN Declaration of Human Rights). Other CSR initiatives with human rights references include the Global Reporting Initiative (GRI); the UN Global Compact; and the International Labour Organization (ILO) Tripartite Declaration of Principles Concerning Multinational Enterprises. The Social Policy Performance Standards of the International Finance Corporation (the private lending arm of the World Bank) includes a specific reference to respect the rights of indigenous peoples, and the voluntary Akwé: Kon guidelines in the Convention on Biodiversity address the conduct of cultural, environmental, and social impact assessments concerning development on lands and in waters occupied or used by indigenous communities. Companies are also increasingly incorporating human rights guidelines in their corporate policy statements (Utting, 2007). This article references the International Council on Metals and Mining (ICMM) to which BHP Maatschappij Suriname (BMS) is a signatory; the ICMM is an international organization made up of companies interested in social responsibility in mining. Members focus on sustainable development goals accompanied by reporting procedures on their performance based on guidelines set out by the Council (ICMM, 2003). The ICMM does make reference to human rights, and more recently indigenous rights, as part of its guidelines.

Both human rights and indigenous rights are often claimed and discursively mobilized by communities in their encounters with multinational resource extraction projects; yet there remains a dearth of critical scholarly research employing a human rights framework in analyzing CSR guidelines and their implementation in the context of communities and extractive industries. One notable example is a study by Boele et al. (2001) highlighting the rights based struggle in Nigeria between Royal Dutch Shell and the Movement for the Survival of the Ogoni People. The company failed in respecting the most basic rights of the Ogoni including rights to education, work, and a clean environment. Shell also partnered with a military government responsible for suppressing the civil, political and human rights of the Ogoni. While Shell did implement CSR in the form of roads, wells, and electricity projects, the company failed to address the more significant social justice and human rights concerns of the Ogoni that included the right to a clean environment, resulting in sustained conflict.

More pointedly, there is even less empirical research analyzing the detailed articulation of indigenous rights claims in relation to CSR guidelines and their implementation in the context of extractive industries. Notable exceptions include Lawrence (2007) and Howitt and Lawrence (2008) who provide an account of Saami reindeer herders’ efforts to have their rights recognized, and to have social impact assessments carried out by the logging company in Finland. This research found that the Saami were marginalized in both the discourses and practices of CSR; for example, the logging company’s natural resource planning tool was developed without the consent of the Saami, and both the logging company and pulp and paper company did not recognize Saami claims to their lands. However, there has not yet been critical scholarly analysis of the detailed engagements between indigenous communities/NGOs and corporations about CSR guidelines; these engagements encompass on-the-ground exchanges, debates, points of accountability, and specific interpretations of CSR principles used to support the positions of these actors. In-depth analyses of these exchanges can provide meaningful insights into the political and power infused nature of CSR as a mode of governance, and the potential for this mode of governance to address indigenous peoples’ rights in the context of resource extraction projects.

Indigenous rights are important to address as a distinct set of identity-based human rights which are recognized at various national, regional, and international governance scales. When referring to ‘indigenous rights’ in this article however, the reference is not to rights recognized by the state, of which there are none in the context of Suriname, but those rights recognized by intergovernmental human rights bodies. Examples of these intergovernmental human rights bodies include: the United Nations Working Group on Indigenous Populations, the UN Permanent Forum on Indigenous Issues, the International Labour Organization, and the Organization of American States (including the Inter-American Commission on Human Rights). Indigenous peoples also have rights embodied in international legal instruments to which some (but not all) states are signatories; for example, indigenous peoples’ environmental rights are laid out in Article 29 of the UN Declaration on the Rights of Indigenous Peoples which states that, “Indigenous peoples have the right to the conservation and protection of the environment and the productive capacity of their lands or territories and resources.” Land rights are one of the most important and widely documented set of international rights for indigenous peoples, and are based on long-standing, pre-colonial occupation and use of lands which comprise a primary foundation of indigenous peoples’ survival and identity (Conklin and Graham, 1995; Muehlebach, 2001; Pieck, 2006). While these are rights only recognized at international scales, indigenous groups can draw upon them to pressure governments and assert claims to lands and resources in the domestic context. Free, Prior, and Informed Consent (FPIC) is also a critical right for indigenous peoples, in that it encompasses the overall right to self-determination and autonomy over their own affairs. However, this right is only recognized by and outlined within a very limited number of international and national governing bodies and legal instruments, which are detailed later in this article. The current study focuses on the expectations and efforts by indigenous peoples and their NGO counterparts to have indigenous rights outlined in international instruments recognized and implemented by industry in the domestic context; these are also rights which indigenous groups construe as being reflected in CSR guidelines.

3. Mining investment and neoliberal reforms in Suriname

Suriname is located on the north coast of South America, situated amongst Guyana, French Guyana, and Brazil. It is one of the poorest countries in the region with a GDP per capita of $4579

2 Though corporate and/or state recognition of indigenous rights with resource extraction is significant for indigenous groups, it does not necessarily result in uniform empowerment; for example, there have been cases where recognition of indigenous land rights applied only to certain indigenous peoples, and not others in the same region. This had important implications not only for who was enabled to negotiate with companies and make decisions about resource extraction, but also for the social conflict that it generated amongst indigenous groups (see Sawyer and Gomez, 2008).

3 It is important to note that not all Indigenous peoples espouse such a unique relationship to lands and resources, and there is a certain degree of essentializing that goes along with such declarations; however, a more in-depth discussion about what an Indigenous identity constitutes, and the complexities therein, is beyond the scope of this article (see instead Niezen, 2003; Sawyer and Gomez, 2008; Haalboom, 2011).
US (Van IJzerloo, 2008), and an estimated 70% of Suriname’s 492,829 people living below the poverty line (Algemeen Bureau voor de Statistiek, 2005; CIA, 2010). Suriname became independent from the Netherlands in 1975. A number of different ethnic groups reside in Suriname including Hindustani, Javanese, Creole, Chinese, Lebanese, European, Maroons, and indigenous peoples. Indigenous peoples make up only a very small proportion – 3.7% or 18,037 people (Algemeen Bureau voor de Statistiek, 2005) – and come from four different tribes who reside primarily in the interior. These tribes are Kalli’na (Caribs), Lokono (Arowak), Trio, and Wayana.

Suriname developed as a primary commodity, natural resource exporting nation. The mining sector (primarily gold and bauxite) provides 85% of the country’s exports and 25% of government revenues (Van IJzerloo, 2008). Bauxite is at the core of Suriname’s economy—in 2007, bauxite accounted for 42% of exports and 26.7% of export revenue (CIA, 2008). From 2000 to 2004, Suriname ranked third highest of developing and transition economies in terms of dependency on mineral exports, attributable primarily to bauxite (World Investment Report, 2007).

It is only in very recent history that Suriname has made greater efforts to liberalize its economy and support foreign investment. While other South American countries were stabilizing their economies and attracting foreign investment in the 1990s, Suriname was undergoing a period of destabilization and near-hyperinflation attributed to fluctuations in global aluminum prices and the government’s macroeconomic policies, deterring foreign investors (Van Dijk, 2001; Hout, 2007; Fritz-Krockow et al., 2009). Throughout the 1980s and 1990s Suriname’s economy remained inward focused, with a strong emphasis on economic self-reliance, government regulation, and import substitution (Inter-American Development Bank, 2002). For many developing countries during this period however, both direct and indirect barriers to foreign investment in the minerals sector were reduced or eliminated under pressure from the IMF and World Bank; from 1985 through the 1990s for example, over 95 countries had either adopted new mineral sector laws, substantially revised existing laws, or were drafting legislation to encourage more foreign investment in mining (Otto, 1998). As a result, transnational mining companies began to shift their investments towards exploration in developing countries with high geological potential and attractive investment climates (Otto, 1998; Bridge, 2004). These countries included Chile, Mexico, Argentina, Peru, and Brazil in Latin America, with certain African, Asian, and Pacific nations also a target of increased mineral exploration (Otto, 1998; Bridge, 2004). In contrast, Suriname was one of a very small number of Latin American countries not to have liberalized its economy as part of lending conditions issued by major international financial institutions. Because of the provision of Dutch Treaty Funds, the country was ineligible to apply for loans from the World Bank, International Monetary Fund (IMF), or International Development Bank (IDB) (Van Dijk, 2001).

Investments in the minerals industry continued to increase globally at the start of the 21st century as economies continued to open up and mineral prices rose. For example, global private investment in non-ferrous metal exploration increased from $2 billion in 2002 to $7 billion in 2006 (United Nations, 2007). This included an ongoing shift of investment directed towards developing countries, with Chile and Columbia both exhibiting high levels of FDI investment in mining valued at US $2 billion in 2006 (World Investment Report, 2007).

The turn of the 21st century also saw Suriname’s economy begin to improve with a new government in place (Ronald Venetiaan and the New Front Coalition), and concerted government efforts made to open up the economy to foreign investment to support economic recovery. President Venetiaan’s Government Policy Statement for 2000—2005 promised an open, competitive, and liberalized economy, characterized by a dynamic, export oriented private sector, while also emphasizing fiscal austerity and macroeconomic stability (Inter-American Development Bank, 2002, p. 16). Since 2002, the deficit has significantly declined and monetary policy has focused on reducing inflation and improving the investment climate (van Amson, 2008).

In 2007, FDI inflow to Suriname was valued at US $316 million, in contrast to its neighbor, Guyana, where FDI inflow was priced at US $152 million (United Nations, 2008). To illustrate the growing inflows of FDI to Suriname, while average FDI inflow from 1990 to 2000 was valued at US $36 million, from 2004 to 2007 it averaged US $331 million (World Investment Report, 2008). Suriname has encouraged more foreign investment in its mining sector through enhanced tax incentives offered to multinational mining companies facilitated by a 2001 Investment Law. Tax incentives to multinational mining companies include 10-year tax holidays, and exemptions on import duties on equipment used for mining, milling, and future expansions (Szczesniak, 2001; van Amson, 2008). It also guarantees unrestricted rights for multinationals to export minerals and sell them on the open market; to repatriate capital and profits; to convert local currency into foreign currency at market rates; and to hire expatriate employees and contractors (IMF, 2006; Szczesniak, 2001). In 2008, Suriname’s economy grew by 7% due to significant foreign investment in mining and oil (CIA, 2008).

New investments in bauxite mines in Suriname have also been made in recent years. With the old Coermotibo and Lelydorp III mines (Fig. 1) nearing depletion, new mines opened in 2006—2007 when SURALCO and BMS began mining bauxite at the Kaaimangrassie and Klaverblad mines (Fig. 1). It was also during the early part of this decade that exploration for bauxite in the Bakhuis Mountains of West Suriname was renewed—potentially the largest mining investment project in Suriname’s history (Fig. 1).

4 Maroons are a tribal group and descendants of escaped African slaves originally brought to work on Dutch plantations in the 1600s and 1700s.
5 Bauxite is an ore from which alumina is extracted and processed to make aluminum.
6 At independence Suriname was provided $1.5 billion in development assistance from the Netherlands to be distributed over a 15-year period. This aid was discontinued during a period of military rule in Suriname from 1980 to 1991, after which Dutch aid resumed. In 2000, Dutch aid became contingent upon specific sectoral priorities being addressed including health care, education, environment, agriculture, housing, and governance.

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environmental management plans to be conducted for mining activities in Suriname (Goodland, 2006a), although the 1986 Mining Decree does require reclamation of the mining area and adoption of environmental protection measures during decommissioning (NIMOS, 2001). With respect to indigenous peoples, this Decree only requires companies to make a list of tribal communities located in or near areas they are exploring, with no notification or consultation required. The draft revised Mining Act issued in 2002 has yet to be adopted, and no tribal groups were consulted in developing this Act (Buursink, 2005). While the draft revised Mining Act will require companies to notify tribal peoples about their plans, it will also require tribal peoples to accept mining on their lands after they have been notified (articles 31 and 78). There is also no requirement in the Mining Act for consultations with communities in either ESIs or the exploratory stage of mining; the results of any assessments that are conducted only need be reviewed by the state, with no sanctions for non-compliance (VIDS et al., 2004).

In 1998 the Surinamese government established the National Institute for Environment and Development of Suriname (NIMOS). NIMOS has proposed draft guidelines for the conduct of ESIs that highlight the necessity for local communities affected by a project to have access to information during every step of the process (NIMOS, 2005, p. 26). According to Weitzner (2007), however, this institute, responsible for environmental planning, protection, and pollution control, has few resources and limited authority, which hinders its ability to establish and implement guidelines for ESIs. These governance gaps in environmental regulation speak to the potential for international environmental rights of indigenous peoples to be violated.

In addition to these governance gaps in environmental regulations, the Surinamese government does not recognize any legal rights for indigenous peoples to the lands they occupy and use, nor their right to Free, Prior, and Informed Consent (FPIC). Both of these rights are recognized in international government documents. For example, Article 26 of the UN Declaration on the Rights of Indigenous Peoples (2008) states that:

> Indigenous peoples have the right to own, use, develop and control the lands, territories and resources that they possess by reason of traditional ownership or occupation or use, as well as those which they have otherwise acquired.

And Article 14 of ILO Convention 169 (1989) states:

> Indigenous peoples’ collective ‘rights of ownership and possession…over the lands which they traditionally occupy shall be recognized and that states shall take steps as necessary to identify these lands and to guarantee effective protection of [indigenous peoples’] rights of ownership and possession.

The Suriname government did sign the UN Declaration on the Rights of Indigenous Peoples, and adopted ILO Convention 169, but never ratified the latter.

Under Suriname’s Domain Principle, the State is the owner of all land in Suriname, with individual land leases the only form of legal title that can be granted. The customary rights of tribal peoples to reside on and use their lands are respected, but only if they do not interfere with the ‘general interest.’ The ‘general interest’ is defined as ‘the execution of any project within the framework of an approved development plan’ (Decree Principles on Land Policy, Article 4.1). Mining is an example of a development that supersedes

Fig. 1. Location of bauxite mines and the West Suriname communities.
customary rights. Due to the lack of indigenous land rights in Suriname, indigenous peoples have no legal recourse to refuse development projects on their traditional lands.

Indigenous peoples have been waging land rights campaigns in Suriname since the late 1970s, concurrent to the emergence of indigenous rights campaigns in Latin America (Brysk, 2000). Yet indigenous peoples in Suriname still remain without any state recognized legal rights attached to their indigenous status. This contrasts with other countries in the region where significant constitutional reforms were made during the 1980s that recognized indigenous nations in Guatemala, Nicaragua, Brazil, Colombia, Mexico, Paraguay, Ecuador, Argentina, Peru, and Venezuela (Jackson and Warren, 2005). Examples of indigenous peoples’ rights recognized in these countries included indigenous customary law as official public law and collective property rights (Hooiker, 2005).

While the Surinamese government may be facing significant pressures by indigenous and human rights groups to grant land tenure to indigenous peoples, other ethnic groups oppose such measures as favoritism. In addition, after years of economic and political instability following independence from the Netherlands, Suriname is finally in a position to benefit from extensive multinational development interests in its natural resources, which makes the government even more reluctant to grant land rights to indigenous peoples.

Though the focus of the indigenous rights movement in Suriname has been on the attainment of collective land rights, the international right to Free, Prior, and Informed Consent (FPIC) is also significant. The UN Permanent Forum on Indigenous Issues states that FPIC “has emerged as the desired standard to be applied in protecting and promoting [indigenous peoples’] rights in the development process” (UN Permanent Forum on Indigenous Issues, 2004). Article 32 of The United Nations Declaration on the Rights of Indigenous Peoples (2008) recognizes FPIC whereby,

States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.

While 148 states have endorsed the UN Declaration on the Rights of Indigenous Peoples, this is not a legally binding document. In addition, very few states have national legislation recognizing the right to Free, Prior, and Informed Consent in relation to natural resource development (exceptions to this are Australia, the Philippines, and Taiwan).

The recognition of internationally established rights by state governments and/or resource extraction companies become more important for indigenous peoples where they have no rights in the domestic context. Recognition of international land rights (both surface and sub-surface), and FPIC by the state and/or resource extraction companies operating in Suriname would allow indigenous communities to accept or refuse mining projects on their lands, as well as negotiate a more meaningful role in the development process.

The Bureau VIDs, as a representative of the national indigenous rights movement, has taken on the primary role of advocating for Indigenous rights in Suriname. The Bureau VIDS was also the primary NGO actor in this study who aided the West Suriname communities in their engagements with industry. In 1992, the VIDS came together as an association of 40 indigenous village leaders to restate traditional authority after the civil war and meet the material and non-material needs of indigenous groups (VIDS, 2005). The actual Bureau VIDS was created in 2002 as an administrative arm and is based in the capital city of Suriname (Paramaribo), helping to connect the geographically dispersed leaders and villages. The national land rights campaign forms the cornerstone of the VIDS’ existence, as the Bureau works to seek collective legal land titles for indigenous peoples in Suriname. The VIDS wages its land rights campaign with few resources (both human and material). At the time of this study from 2007 to 2008, the Bureau dropped from three full-time to two full-time and one part time employee and only two office assistants.

In light of this, the Bureau VIDS relies heavily on a number of external consultants and advisors, as well as international networks for resources, trainings, legal aid, and information. These networks are valuable for the information they provide to national organizations and local communities on topics such as international indigenous rights. One of the organizations situated within the Bureau VIDS’ networks is the North–South Institute (NSI). The NSI is a Canadian non-profit international development organization that provides research and policy analysis on international development issues. The British based Forest Peoples Programme (FPP) is another international NGO that aids the Bureau VIDS, but took on a lesser role with the mining project. Both of these organizations support indigenous land rights and the right to FPIC. Such organizations can be critical for the different types of rights-based support they provide to indigenous groups in their encounters with large-scale mining development (Coumans, 2008). In other words, their focus is not necessarily on facilitating socio-economic development hand-outs to communities, but in understanding and supporting the full range of interests and concerns that indigenous communities have in development, and how these are reflected in governance instruments (Coumans, 2008).

Much of the power of NGOs lies in their efforts to hold industry accountable to stated principles by exposing the disconnect between rhetoric and practice (Keck and Sikkink, 1998, p. 24). The two companies being held accountable in this story are BMS and Suralco. BMS’ parent company, BHP Billiton, is headquartered in Australia and the United Kingdom and is one of the largest multinational resource companies in the world with 41,000 employees and 100 operations in 25 countries (BHP Billiton, 2009). Suralco is a subsidiary of US based Alcoa, the world’s leading aluminum producer. Though owning 55% of the joint venture, Suralco was primarily invested in a proposed refinery and smelter operation linked to the mining project known as the Kabalebo project, but not the mining itself.

5. The case study: bauxite mining in West Suriname

On 6 January 2003, two Memorandums of Understanding (MOU) between the Surinamese government and BMS and Suralco


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10 Despite recognition of indigenous rights, ethnic and racial discrimination remain deeply embedded in Latin America, with continued indigenous political organizing and resistance (Jackson and Warren, 2005). In addition, indigenous peoples can remain vulnerable even where their land rights have been recognized (see Egan, 1996; Van Cott, 2002; Stocks, 2005).

11 However, problems identified with the implementation of FPIC in the Philippines have included ignoring or displacing community leaders who oppose mining, and the exclusion of the majority of community members from decision-making about mining (Colchester and MacKay, 2004).

12 In the context of oil, gas, and mineral extraction projects, it is also important that both surface and sub-surface land and resource rights are recognized for Indigenous-groups (Egan, 1996; Sawyer and Gomez, 2008).

13 The civil war in Suriname lasted from 1986 to 1992, and began as an attempt by maroon groups to restore democratic rule while the country was being governed by a military dictatorship. It later evolved into an ethnic war between maroons and indigenous peoples, and the attainment of indigenous land rights became a central for indigenous peoples’ participation in this war.
were signed, permitting the companies to begin exploring the 2800 square kilometres concession area in the Bakhuis Mountains in West Suriname (Molenaar, 2007) (Fig. 1). Starting in 2003, exploration of the concession area took 2 years to complete, with bauxite reserves estimated to be about 300 million tons, and the companies were interested in mining approximately 25% of the concession area. The expected annual production was 3.2 million tons of alumina for the next 40 years, with mining to begin in late 2009 (Goodland, 2006a).

The West Suriname communities of Washabo, Section, and Apoera are located approximately 85 km from the concession area (Fig. 1). These communities are comprised primarily of Lokono or Arowak indigenous peoples. Based on a census conducted by the Bureau VIDS, 1023 people reside in all three villages. There is one village chief and four assistants (basjas) for each village (Bureau VIDS, 2008). Sranan Tongo is spoken (the lingua franca of Suriname), as well as Dutch and Guyanese English, with traditional indigenous languages less commonly spoken. Indigenous peoples of West Suriname pursue traditional livelihood activities that include hunting rabbits, wild pigs, tapi, armadillos, deer, and caiman; the gathering of medicinal plants, nuts and fruits such as cherries and guava; fishing for Koebi; and growing food staples such as cassava, pom tayer, corn, sugar cane, and bananas (Bureau VIDS, 2008).

The communities were not aware of the MOUs until after they had been signed, at which point they asked the Bureau VIDS for information, capacity building and technical and legal support in their engagements with BMS (Weitzner, 2007). The Bureau VIDS then sought the help of the NSI, which included a request for financial support (interview, Bureau VIDS consultant). The Bureau VIDS was also approached by BMS to act as an intermediary between the company and the communities during the exploration phase, as the company stressed that it wanted to interact with the communities in the ‘right’ way (Weitzner, 2007, p. 7). The mining company BMS, rather than Suralco, had an obligation to follow international CSR guidelines regulating mining, as BHP Billiton is a member of the International Council on Metals and Mining (ICMM). The Bureau VIDS and NSI started the difficult process of pressuring BMS to adhere to the ICMM guidelines that would (1) enhance protection of and access to the natural environment that indigenous peoples use and (2) incorporate indigenous rights.

The author undertook 9 months of research for this case study in 2007–2008. Data collection relied heavily on document collection and analysis, supplemented by in-depth interviews. The documents/reports collected and their authors are identified in Table 1. These were selected because they were written by representatives affiliated with the NGOs most involved in holding the mining companies accountable to CSR guidelines. The reports document the responses of the NGOs to both the mining project planning process and potential consequences of mining, as well as some of the NGO and community leader exchanges with company representatives. These documents were analyzed by searching for the most frequently cited accountability and social and environmental governance issues linked to specific ICMM principles (illustrating a higher level of concern about them).15 Analysis also included critically examining how the NGOs were interpreting the ICMM guidelines. Company responses were garnered either from the documents themselves and/or through interviews.

Sixty-eight in-depth, semi-structured interviews were conducted as part of a larger research project exploring indigenous peoples’ responses to protected areas and mining in Suriname. Eight of these interviews were thematically analyzed for this study, including interviews with participants directly involved with, or with extensive knowledge of, the bauxite mining project. These included interviews with West Suriname community leaders, Bureau VIDS, NSI, and BMS representatives.

The following section documents the debates, issues of accountability, and different interpretations of CSR between the participants in this study. This was with respect to environmental impact assessments; indigenous rights to land; and the right of indigenous peoples to Free, Prior, and Informed Consent. These exchanges illustrate the socio-political, as well as economic, positioning of these actors, and the different agendas associated with their positions that determine issues of accountability and shape alternate interpretations of CSR guidelines. The outcomes of these debates also reflect the different degrees of power that these actors hold in such contexts, irrespective of the strength or validity of their arguments about CSR. This dialogue is thereby a lens into the more complex and contentious entanglements that emerge with CSR as a mode of governance, as it plays out ‘on the ground.’

6. Governance through accountability

6.1. Environmental and social impact assessments

One of the most notable accountability issues and points of contention were NGO concerns about the lack of company consultation with the West Suriname indigenous communities in the environmental and social impact assessment (ESIA) process. As ESIA are not required by Surinamese law however, BMS’s initiation of an ESIA indicated efforts to go beyond minimum legal standards. Specifically, as BMS is a signatory to the ICMM, it reflects some effort to implement ICMM Principle 6: To assess the positive and negative, the direct and indirect, and the cumulative environmental impacts of new projects – from exploration through closure (ICMM, 2003). However, the limits of these efforts are examined below.

Eleven biophysical studies were being planned by BMS (Goodland, 2006a), only one social study was being considered (Goodland, 2006a). For example, large waves and wakes from barges carrying bauxite along the Corantijn River could disturb and upset the much smaller dugout canoes indigenous peoples use for fishing and traveling (Goodland, 2006a). In addition, a group of indigenous communities living downstream from the Bakhuis concession were not going to be included in the ESIA (Goodland, 2006a). These were communities living along the Nickerie River (which drains the Bakhuis Mountains – see Fig. 1) and who depend on it for daily washing, bathing, recreation, and fishing (Goodland, 2006a). By-products such as acid leachate from bauxite removal, as well as increased sedimentation may adversely affect fish populations in this river (Goodland, 2006b).

The BMS concession overlaps part of their traditional land use territory which they use for hunting and fishing; this area may be far away, but it is still used as a reserve when they can’t find animals closer to the villages.

Such areas are becoming more important for indigenous groups in West Suriname as the population has increased in the region, and many game animals and fish are becoming harder to find clo-

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14 This approach by the company is in contrast to the older bauxite mining projects in Eastern Suriname, where indigenous peoples were not consulted (Molenaar, 2007).

15 Both BHP Billiton and Alcoa have a sustainability framework, but it was the ICMM principles to which the companies were frequently held accountable.

16 These communities were considered to be too far away to be impacted by the mine.

17 This is caused by removal of forest in a concession area, leading to increased erosion and thereby sedimentation in rivers and creeks which can clog up the gills of fish (Goodland, 2006b).
ser to the villages (Buursink, 2005; VIDS, 2008). For example, the 
Moses Creek and Van Ams Creek have been identified as good 
fishing sites within the concession area, where a lot of anjoemara (a 
type of fish) are caught during the dry season (VIDS, 2008). In addi-
tion, the concession area was used for gathering plants such as lia-
nas for medicinal use, which do not grow closer to the villages 
(VIDS, 2008). Indigenous use of this area was documented in the 
inhabitants' self-assessment and information sharing amongst company 
representatives, village leaders and their advisors, the Bureau VIDS, and the 
District Commissioner, beginning in September, 2006. However, ‘consultations’ do not grant indigenous peoples the power of deci-
sion-making that ‘consent’ encompasses, and based on the preceding 
evidence, there was already inadequate consultation in the 
planning process.

The NGOs also tried to hold the companies accountable to FPIC 
by again referencing the ICMM guidelines; they cited ICMM Princi-
ples 9 which states that companies will ensure that appropriate sys-
tems are in place for ongoing interaction with affected parties, making 
sure that minorities and other marginalized groups have equitable 
and culturally appropriate means of engagement (ICMM, 2003). The 
NGOs and the communities’ interpreted ‘equitable and culturally 
appropriate means of engagement’ as signifying that indigenous 
peoples are enabled to engage in their own internal consultation 
and consent procedures and these processes may result in commu-
nities saying “no” to a given project (West Suriname Chiefs cited in 
Weitzner (2007, p. 48)). The communities then appealed directly to 
the ICMM, detailing the disparities between the rhetoric and prac-
tice of BMS with respect to the ICMM guidelines. The ICMM re-
sponded that,

it is incorrect to interpret these [ICMM] documents as supporting 
the broad scale adoption of Free Prior Informed Consent 
(FPIC) without further understanding how it can be imple-
mented. ICMM’s view is that practical implementation of FPIC 
presents significant challenges for government authorities as well 
as affected companies as the concept is not well defined

### Table 1

<table>
<thead>
<tr>
<th>Author</th>
<th>NGO affiliation</th>
<th>Report title</th>
<th>Year of publication</th>
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<tr>
<td>Not cited</td>
<td>Forest Peoples Programme (FPP)</td>
<td>Free, Prior and Informed Consent: Two Cases from Suriname</td>
<td>2007</td>
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<tr>
<td>Robert Goodland</td>
<td>Independent Consultant hired by the Bureau VIDS and NSI</td>
<td>Suriname: BHP Billiton/Suralco’s Bakhuys Bauxite Mining Project A Review of: SRK’s Environmental and Social Assessment Scoping Document</td>
<td>2006a</td>
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18 This started in 2004, and as of 2008, preliminary maps had been made by the communities of West Suriname with the support of the World Conservation Union (IUCN).

19 Indigenous peoples’ right to FPIC was explicitly outlined in the UN Declaration on the Rights of Indigenous Peoples in 2007, but this was shortly after BMS’ response.
and with very few exceptions, is not enshrined in local legislation. We also recognize the primary role of sovereign states in determining how their mineral endowments are managed (Fleury, 2006 referenced in FPP (2007, p. 16)).

The first part of ICMM’s statement was the same defense presented by BMS (i.e. the lack of international consensus on FPIC and its application). The second part of the ICMM statement is important as it affirms the Surinamese state as the legal owner of lands and resources, and in this way, ICMM takes the position that state law supersedes international law. BMS and Alcoa also responded in a November 4, 2006 letter deferring to the power of the state: “Until such time as traditional rights are recognized by the Republic of Suriname and incorporated into Surinamese law, formal endorsement by BMS and Alcoa of such claims would be premature” (Sholtz, 2006 quoted in FPP (2007, p. 15)). The NGOs responded that traditional rights, including the right to FPIC, are inherent, internationally recognized, and do not have to be conferred by a state (Weitzner, 2007). While the NGOs supported their expectations by positioning indigenous peoples as transnational citizens with international rights ascribed to them, the corporation was able to defend their decision by claiming indigenous peoples to be national citizens with concomitant lack of rights attached to an indigenous identity. In this way, they could justify not adhering to ICMM Principle 3 to uphold fundamental human rights and respect cultures, customs and values in dealing with employees and others who are affected by our activities (ICMM, 2003). By not recognizing local consent procedures and decision-making, this exchange also illustrates “…exclusion of indigenous institutions from wider scales of decision-making” (Howitt and Lawrence, 2008, p.85).

Finally, BMS was asked by the NGOs and community leaders to recognize indigenous land rights in Suriname through the signing of an agreement (interview, VIDS Consultant). In addition, BMS was pressured to advocate to the Surinamese government for land rights on behalf of indigenous peoples. A BMS representative stated in an interview:

Advocating for indigenous land rights is not BMS’ role and the company does not want to adversely affect relations with the Surinamese government.

The NSI claimed that in fact as a member of the ICMM the company was “in a position to comment on the land rights situation and to encourage the Government of Suriname to address and resolve this issue” (Weitzner, 2008, p. 6). Weitzner (2008) draws from the more recent May 2008 ICMM position statement on mining and indigenous peoples, which states that the companies should be “Encouraging governments where appropriate to participate in alleviating and resolving any problems or issues faced by indigenous peoples near mining operations” (ICMM, 2008 quoted in Weitzner (2008)), where land rights would constitute such an issue.

7. Conclusions and final thoughts

Based on these exchanges, it can be concluded that the implementation of CSR is a complex, messy, and far from straightforward matter; in other words, “the rhetoric of CSR is worlds away from the complex reality of navigating relations surrounding extractive industry operations” (Sawyer and Gomez, 2008, p. 27). CSR can itself be a source of conflict, or at the very least provide a focal point for contention; CSR is a governance tool that gets subject to different political and economic interests, resulting in varying interpretations of, and justifications for how (or how much of) CSR gets executed in particular contexts. The corporations in this study aimed to garner economic profits from development facilitated by the preservation of stable relations with the state, while also attempting to gain community and NGO support for the project through controlled and limited efforts at putting CSR into practice. The NGOs, however, were advocates for Indigenous rights as part of a national indigenous rights struggle, so their interpretations of, and expectations of CSR were underpinned by an indigenous rights agenda, but also tied to a genuine concern for the livelihoods and health of local communities. This was illustrated by NGO interpretations of ICMM Principle 6 as reflecting both environmental and social impacts; debates about whether consultation equates to consent; and exchanges concerning ICMM Principle 9 as indicating (or not) Free, Prior, and Informed Consent. While the language of CSR might try to come across as technical, impartial, and apolitical, certainly when put into force and unpacked by different stakeholders (or more accurately ‘rightsholders’ in referring to indigenous groups), this is far from the case. These differing interpretations also support the observation of CSR guidelines as imprecise and ambiguous (Uttin, 2008).

Processes of CSR implementation also reflect uneven relationships of power—decisions on whether, and how to put CSR into practice are a privilege of the implementing agent, in this case, the corporation, which demonstrated a limited and uneven commitment to governing the potential adverse consequences of mining development, and a refusal to meet broader expectations to recognize or advocate for internationally enshrined indigenous rights in the domestic context. This has important implications; for example, while there was a certain corporate adherence to CSR guidelines demonstrated through initiating environmental impact assessments not mandated by the state, this effort was undermined by the lack of consultation with affected groups and incorporation of their knowledge into the assessment process. The corporation used its power both to prioritize particular components of the environment over more holistic concerns of indigenous groups, and to exclude certain types of knowledge about the interaction of local peoples with their environment; this means both the livelihoods and health of indigenous peoples are at greater risk of being adversely impacted by future development.

Perhaps more significantly, communities were at a supreme disadvantage without corporate recognition of FPIC or indigenous land rights (both surface and sub-surface); corporate recognition of these rights could have shifted the scales of power in a momentous way, by enabling communities to decide whether to accept or reject mining on their traditional lands, and/or to determine how development should proceed. Corporations can thereby embark upon superficial engagements with marginalized groups through practices of neoliberal governance, and uphold resistance to advancing any kind of fundamental change for these groups. Yet as Boele et al. (2001) found, community–corporate conflict can also be sustained and prove to be a challenge for corporate interests when rights-based issues are not recognized or adequately addressed. These rights-based issues extend well beyond philanthropic gestures and development hand-outs, and promote changes that would put indigenous peoples on a more level playing field with both industry and government when it comes to decisions about their lands and resources.

As a final note to this story, BMS pulled out of the Bakhuis mining project in 2008. The reasons given for this by the company were the global financial crisis, an inability to reach an agreement with the Suriname government, and cancellation of the Kabalebo refinery project that was to be managed by Suralco.20 In January 2011 the Government of Suriname announced that it was interested in resuming negotiations with Suralco for the mining of bauxite reserves in Bakhuis.

20 Personal communications, BMS representative.
A remaining question from this research regards what we can expect of CSR as a mechanism to address indigenous rights issues that lie at the heart of corporate–community relations and CSR implementation as an avenue for social justice? While the corporation might claim that it does not recognize indigenous peoples in a domestic context where these rights remain unrecognized by the state, it certainly has the power to influence those who do i.e. the nation state. However, given the strength of corporate resistance to advocating for indigenous rights claims in this study, it is questionable as to whether CSR is the appropriate avenue for addressing rights based issues, and whether corporations should be expected to fulfill such roles.

This then raises the matter of the role of host governments as ‘critical mediating channels’ between corporations and human rights outcomes in the context of CSR implementation (Macdonald, 2011). What can really be expected of CSR as a mode of governance to address indigenous rights issues where significant barriers in the domestic legal and policy arena exist, such as those in Suriname? Should we be expecting companies to recognize indigenous peoples, or does this divert attention, and misdirect community and NGO efforts away from government culpability? In other words, the larger context of CSR implementation matters in terms of both enabling and constraining political and economic structures (see Lund-Thomsen, 2005). Certainly, corporate–community engagements can present alternative routes for indigenous groups to assert political agendas as it provides, “…a strategic way for indigenous communities to draw corporate actors into their worlds and their spheres of action.” (Howitt and Lawrence, 2008, p. 88). But ultimately, how useful is this strategy given the lack of state recognized rights that limit the power indigenous groups have in these engagements? There are also the legal and fiscal conditions that facilitate the movement of multinationals into remote locations of developing countries where indigenous groups reside; the intersection of CSR and indigenous rights issues becomes more pertinent in the context of a developing country embarking on a neoliberal path where traditional communities stand to take on the primary environmental and social costs of resource development projects. Geographical comparisons with multinationals operating in industrialized companies with stronger governments and indigenous rights protections are worth investigating. These are questions that need to be seriously considered in light of enhanced transnational mobilities of corporations and the populations they will continue to impact.

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