This book is a true treasure chest. It gives a unique insight into the dynamics and motives of the actors involved and it describes different and possible responses that are at the forefront of social change. Communicating this insight will hopefully only be the beginning of a much needed debate on the role of business in society in an era of globalising markets.

Georgie Alt, Senior Officer, Executive Office of the United Nations Secretary-General

Terms for Endearment effectively explores some of the fascinating and important highways and byways along which NGOs pass in seeking to influence business practice, and thereby being deeply influenced themselves.

Sven Edeker, Chair, Institute of Social and Ethical Accountability

Global business and civil society are the co-creators of the 21st century. This book shows the transactions and debates, they are shaping our future. Anyone interested in novel ways of achieving the sustainable governance of markets should read it.

Professor Karen Heyler, University of Middlesex, UK

Managing relations with stakeholders is an essential aspect of modern business. More than suggesting a strategy, Terms for Endearment presents a philosophy for success.

Martin Kingdon, Director, IFSC Sustainability Advisory Service

A sustainable future can only be guaranteed by responsible business practice. This book provides many practical examples of how companies can work with stakeholders to develop more effective solutions for a sustainable future.

Tommy Niskanen, President/Chairman/Cooper

This book is helpful to anyone involved in sustainability management, accounting, auditing and reporting, because, without ongoing dialogue with local and international stakeholders, no organization can develop and implement locally acceptable solutions to global issues.

Eleni Kounara, Director, Business Institute Quality International

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Terms for Endearment
BUSINESS, NGOs AND SUSTAINABLE DEVELOPMENT

CONTRIBUTING EDITOR: JEM BENDELL

* Terms for Endearment breaks the mould. It brings new voices to the debate on the future of business. The authors explain why business needs to put the important things in life first and how to translate such principles into practice. We're all challenged to do the same.

- Christos Hadjiloukas, Founder and Co-Chair, The Body Shop International, Founder, New Academy of Business

* At a time of rising concern over where the world is heading, the experiments and innovations detailed in this book provide new insights into the possibilities of humanizing capitalism. Rich in case studies and challenging in its conclusions, Terms for Endearment lays out an exciting agenda for NGO-business collaboration in the 21st century.

- Michael Edwards, Director, Governance and Civil Society, The Royal Institute of International Affairs

** This is a must-read for the champions of corporate accountability, for those that want to go beyond the lip-service and really engage with stakeholders. Its combination of case studies and commentary goes beyond rhetoric to provide insights into the potential benefits as well as the pitfalls.

- Gary Cotes, Director, World Development Movement

** This well-structured book draws on many practical examples to show how business and society can collaborate to achieve a more socially and ecologically sustainable world. Moreover, its analysis provides innovative ideas and concepts which will both speed up and increase the possibility of achieving development that is sustainable for the many, rather than for the few. If you're concerned about improving the quality of the world you will live in tomorrow, whether as a corporate manager, social activist or citizen, this publication is for you.

- Alan Fournier, Co-Founder, AIRW

* We are all stakeholders in sustainability, and Terms for Endearment moves the practicalities of collaboration between all stakeholders in society well and truly onto the agenda of the 21st century. This is a timely, necessary and significant contribution to the expanding worldwide debate on effective partnerships between business and civil society organisations. The book is essential reading for all interested in securing sustainable change in the future.

- Professor David Web, Corporate Citizenship Research, Deakin University, Australia
SHADES OF GREEN

NGO coalitions, mining companies, and the pursuit of negotiating power

Saleem H. Ali
Massachusetts Institute of Technology, USA

An appreciation of the dynamics of relationships between different types of NGO within civil society is important for those companies pursuing enhanced systems for corporate accountability—and thereby seeking to consult with NGOs. Consequently, this chapter explores the effect of strategic NGO coalitions on their respective relationships with the business community. The focus is alliances between environmental NGOs (ENGOs) and indigenous rights NGOs (INGOs) in their dealings with mining companies. The relationship between these two types of NGO is particularly intense in the developed world where both groups are seeking renegotiation and rehabilitation of past injustices. In this chapter I question the assumption that green movements and the indigenous rights movement in negotiations with a corporatism, although engaged in strategic alliances to increase their negotiating power with the mining industry and governments, the evidence shows that NGOs do not always have a united and unifying agenda, and coalitions can actually marginalize the interests of certain constituencies in civil society.

The implication for corporations is that, by working with certain NGOs and coalitions of NGOs, they may actually marginalize other interest groups. At first glance this may appear a sensible approach for managing external pressure; and ways of co-opting potential opponents have already been discussed in some of the management and sociology literature (see e.g. Moores and Griffin 1993). In this chapter I question this approach, for two reasons. First, it does not allow cases issues to be addressed and thereby sustain conditions for future antagonisms. Second, at the personal level, it is an alienated and manipulative approach for a manager to adopt.

The scene for the chapter is the mining industry. Modern society relies fundamentally on mining as a primary source of raw material and fuel for production at all levels of industry. Mining companies are thus powerful entities that can wield considerable
Olympic Dam mine in South Australia

In 1991, a team of geologists from the Western Mining Corporation (WMC) began to explore the vast expanse of the South Australian deserts in search of minerals. Large-scale surveys ten years later had identified a number of coincident gravity and magnetic anomalies west of Lake Torrens, near a small irrigation pond known as Olympic Dam. An exploration license was granted by the South Australian government in May 1995, and by July drilling had begun. By 1997, WMC joined forces with the British Petroleum Group (BP) to stake an exploration site.

An INCO called the Southwell Lands Council called for a moratorium on future exploration. However, there were many Aboriginal groups who felt mining would bring much-needed income to their impoverished communities through compensation agreements. One such group called the Aranda Lands Council, based in a town about 30 km from Olympic Dam, began to seek an agreement with the WMC. Meanwhile, Flinders of the Earth and several regional INGOS with a strong opposition to all forms of uranium mining, quickly united against the project. Soon the Aboriginal opposition movement and the environmental movement came to be heard as one voice.

However, a new era was passed by the South Australian parliament this overrode other laws regarding Aboriginal heritage. Consequently, the mine was established, despite vehement protests, including plans from some Aboriginal groups and INGOS at the international level. Full production of copper and uranium one began in 1998 with 4500 tons per annum of refined copper, over 9300 tons per annum of uranium oxide (WMC Annual Report, 1998).

In 1997, the WMC acquired full ownership of Olympic Dam and soon thereafter announced plans for an expansion of the existing mine. These plans were held back under the Labour government during the early 1990s but this changed after the 1996 election when the then Conservative John Howard became Prime Minister. Howard pledged to improve the economic plight of Australia by renewing investments in mining development. Encouraged by the new government's policy on mining, in July 1998, the WMC board commissioned a detailed design study of an expansion to 200,000 tonnes of uranium (1.2) and copper and uranium. In October, an agreement was reached between the WMC and the State government on the expansion to 15,000 t/a of copper and associated production.

At this time, the negotiations were entirely voluntary. Once the environmental impact assessments were completed, that is, when the consultation process began formally—public submissions were made regarding the intention to expand mining operations. Anthropologists were hired by the company to identify appropriate tribes with whom consultation should take place. Meanwhile, the Australian parliament in Canberra published a report in May 1997 on " Uranium mining and Milling in Australia" and examined the WMC of any serious environmental damage in its past operations. The concerns of the environmental groups were raised but summarily dismissed as not being of much validity. "The Committee has had only limited opportunity to assess the accuracy of matters raised by the Conservation Council and the Friends of the Earth but it seems that only a limited amount of sorting evidence has been tendered (Parliament of the Commonwealth of Australia 1997:121)."
Around the same time, Australia was embroiled in a major legal battle over the rights of Aborigines to claim title to land after a revolutionary supreme court decision. The case in point is in relation to the High Court of Australia in 1991, when the court recognised the prior land rights of Aboriginal Australian people. Shortly after this decision, the Native Title Act was passed in 1993 to give a systematic process to land claim applications. However, the Australian government has been criticized for its failure to implement the act.

The main environmental groups that were opposing the Olympic Dam expansion—Friends of the Earth, the Australian Conservation Foundation and the Conservation Council of South Australia—campaigned against the government’s attempts to reduce the impacts of the court rulings and the Native Title Act. The ICNA saw the native title rights as a means of halting rapid industrial projects and protecting sensitive ecosystems. Their opposition to mining was voiced on this platform as mining companies were lobbying for limited Aboriginal claims and increased discarding. The Aboriginal groups began to seek alliances as well. Protection of their sacred and significant sites was at the heart of their opposition to mining, which was clearly not as spiritual as the ICNA. Some of the ICNA decided to ally with the mining companies to try to get immediate compensation, while others felt that in the long run their interests were more adequately met by alliances with the environmental groups. The dilemma that they faced was not too far removed from that faced by their distant peers several thousand miles away across the Pacific.

In the early 1980s Eldorado Nuclear (now part of Cameco Corporation) entered into an agreement with the provincial government of Saskatchewan to begin mining activities in the vicinity of Wollaston Lake. The Saskatchewan government was thus formed to organise the mining activities. The native communities of the region felt that their subsistence lifestyle of hunting and fishing would be threatened by radioactive waste pollution from the mining development. This project is expected to remove the淡t end threat of affected communities in Uranium City (one of the first uranium mining regions in Canada).

In the late 1980s, the Saskatchewan government expanded the uranium mining industry and diversifies its interest in a public company. A company named Cameco. This would soon become the largest uranium mining company in the world with control over two-thirds of the world’s largest, high-grade uranium mines at Key Lake and Rabbit Lake in Saskatchewan. The ‘best’ was yet to come. The McArthur River River body was explored extensively in the early 1990s after a governmental environmental review for underground exploration. The highest-grade deposits (as much as 3% of U3O8) were discovered 50 m beneath the surface soon after.

The Environmental Impact Statement for the project was prepared in May 1993 and circulated for public comment. Cameco and its partners, Uranium Exploration and Mining and Cameco Resources Inc., proposed to mine the ore-body underground, crush and grind the ore and send it to a mill and finally to a processing mill. The waste waters would be disposed of at the existing Key Lake Delman tailings management facility. The environmental impact of this project would likely be spread across two sites and raised many concerns for environmental groups, most of whom were based in southern Saskatchewan.

The development of uranium mining is quite stark between western and eastern Canadian operations. Unlike common development discussion, the ‘North’ in this case is the impoverished and underdeveloped region, while the ‘South’ is considered the more affluent and developed part of the province. More than two-thirds of the residents of Saskatchewan have aboriginal ancestry. In Canada, there are two different categories of aboriginals: (1) registered Indians and Inuit; and (2) mixed-blood aboriginals. These categories have different treaty obligations for the two groups, though they often present a united front when dealing with issues of development in the north. Nevertheless, surveys conducted by the company was shown that a majority of people in the north supported uranium mining.

The environmental groups in this case were mostly regional organisations, such as the Inter-Church Uranium Committee and the Saskatchewan Environment Center. Greenpeace has been involved in lobbying efforts in the north for financial reasons. The activist movement had been given considerable coverage in the late 1980s with the publication of a book on the Wollaston Lake Community by Miles Goldstein (1987). The main thrust of that book had been the aboriginal resistance to uranium mining.

1 Some of the cases are: Western Australia v Commonwealth 1955; Mason v. Trickett 1954; Walker v. New South Wales 1954; Cee v. Commonwealth 1951; Pettit v. Trickett 1953.

2 These surveys were conducted for Cameco by independent consultants (personal communication with Janice McIvor, Saskatoon, 21 March 1997).
**The comparative outcomes**

After reading about the outcomes of these cases, one may wonder what the point was of offering this comparative analysis, since in both the cases, the companies attained their desired objectives. Both companies were eventually able to get approval for their mines and are currently mining ore as planned. It seems a simple case of different approaches to community relations depending on different legal contexts. Indeed, law has not figured prominently in my exposition because in my opinion legal recourse should be a means of last resort but not a process for dispute resolution at the corporate/community level.

While my analysis clearly favours the approaches taken by Cameco, the study does not expose a 'good versus bad player' dichotomy. Indeed, many of the decisions made by the WMC were in good faith and worked out in terms of short-term economic planning. Long-term community relations were, however, not considered and may come to haunt the project in the future. Issues of social responsibility sit ill at ease a private corporation are clearly at stake. While companies cannot assume the role of a social welfare entity, they clearly have certain responsibilities when operating in a remote area in which they have a monopoly over economic opportunities for the population.

The ENGOs in both the Australian and Canadian cases were not successful in satisfying native demands or were their approaches too similar. My research has revealed that, even though ENGOs often aspire to meet the demands of native groups and appear to lobby on their behalf, the strategic alliances are at best tenuous and usually destructive to both causes.

In summary, even though the outcomes in both cases may appear to be similar (see Table 5.1), there are some distinct differences in the way the companies approached the negotiations and these are likely to lead eventually to a difference in the long-term viability of the projects. Some of the key differences that were found at various tiers of the process are highlighted below, using a model of negotiating power and perceived leverage.

### Analysis using the sources of power model

The experience of NGOs coalition building on their relations with the mining companies can be analysed in terms of power relations. Sociological and political analyses of power are varied, drawing on thinkers such as Emerson (1972) or Lukes (1974) to consider what it is, what does, who or what it involves and how we can tell if it is there. In this chapter, I use the model of bargaining power developed by Fisher (1985). He identifies seven attributes or aspects of power for parties to negotiate: the power of skill and knowledge, of a good relationship, of a good alternative to negotiating, of an elegant solution, of legitimacy, of commitment and finally the power of a process.

Figure 5.1 shows the various stakeholders in the conflict, and their domains of interest and power, as Venn diagrams. The key to the various loci in the diagram are shown in Table 5.2. The size of ellipses indicates the relative bargaining power of each group. The magnitudes of power that I have attributed to each stakeholder emerge from a qualitative
The power of skill and knowledge

The technical skill, which some of the EINGOs represented possessed, was shared with the INGOs but no formal effort at training or education was made. The responses to the environmental impact statement, particularly in the Australian case, exemplify the strong scientific backing that the groups possessed. A leading member of the Conservation Council of South Australia was a tenured Professor of Chemistry at Hinders University and several others were well-educated professionals. Friends of the Earth, the Australian Conservation Foundation and the Conservation Council of South Australia collectively submitted 185 comments to the environmental impact statement for the expansion of the Olympic Dam mine, whereas no formal comments were registered from the Aboriginal groups. Out of the 185 comments registered by the INGOs, five were
specification aimed at addressing Aboriginal concerns. According to Joan Wrigley, a member of the Kokatha tribe and an official at the Australian Heritage Commission, skill and knowledge are the most significant contributions that Aborigines can make to the Aboriginal cause.5

In the Canadian case, the federal and provincial government concurred a panel to review uranium mining activities in Saskatchewan in 1990. This panel submitted comments on various proposals for mining and also held a protracted series of hearings in 1990 in which all the environmental groups participated actively. This was the main forum for informational exchange between INGOS and native groups. The panel itself comprised four members, a mining engineer, a biologist, an industrial hygienist and the Chief of the Prince Albert Grand Council, John Dantoon.6 The skill and knowledge exchange in this case appeared to circumvent the INGOS since the native groups were being given technical feedback directly from the academics on the panel. Just before the panel was to issue its report, Chief Dantoon and the industrial hygienist Dr. Arne Yaasen resigned. The environmental groups considered this a sign of victory and a reflection of the dissatisfaction with the environmental situation. However, the statement of the Chief and correspondence between him and Dr Yaasen reveals that the main reason for their dissatisfaction with the panel was the issue of revenue sharing and not environmental concerns.7 The skill and knowledge that the INGOS may have been able to offer in this case would probably have had little influence because of existing academic expertise on the panel and the overarching concerns regarding economic development.

The power of a good relationship

Environmental groups have a long history of opposition to the mining industry and therefore their relationship with mining companies has been largely antagonistic. The mining companies appear to harbour a strong degree of suspicion of any group that may be affiliated with environmental causes. Therefore, native groups who were allied with the INGOS were particularly ostracised from interactions with the mining company in both cases. Since the INGOS had some interests that were congruous to the direct aspirations of the community (namely their own agenda of anti-uranium campaigning), the negotiation process was confounded and possibly widened disagreements within the Aboriginal communities. In the Canadian case, an Aboriginal splinter group, which was more amenable to the mining company’s offers for monetary compensation was formed. Even though a majority of the community representatives favoured the INGOS’ opinions on environmental impact, the fact that they were being represented by an external entity in some way legitimised the corporation’s refusal to talk to them. They were branded as the INGOS’ cousins and so the mining company was able to get away with limited communications, even involving a small splinter faction that did not have

5 Personal communication with Joan Wrigley, Australian Heritage Commission, Canberra, 13 January 1992.

the ‘activist’ label. The rivalry between the two Aboriginal groups led to a stand-off in 1995 in which one person was killed (by the Aboriginal group supporting the environmental cause).8

In Saskatchewan the INGOS did not foster any positive relationship with the mining companies because, as far as they were concerned, there could be ‘no consensus on uranium mining’9. Media appearances by the INGOS representatives were replete with accusations of imperial aims at the Cameco corporation. The groups also alienated themselves from a lot of government opinion by removing themselves from the environmental assessment review process and avoiding their documentation after the 60-day review period as a mark of protest.10

The power of a good alternative to negotiating

Negotiation theorists have articulated the need for a negotiated settlement in terms of opportunity costs. They argue that, at the outset, both sides should estimate their best alternative to a negotiated agreement (BATNA). However, unexpectedly, the other side, unless you have a better BATNA, the question you face is not whether to negotiate, but how.11 The BATNA of the indigenous groups vis-a-vis the mining companies is clearly much lower than it is for the environmental groups. For the former, mining investment may be a matter of economic survival, whereas for the latter it is a value-based cause which would not have any direct short-term impact on their means of survival.

In most public disputes, the BATNA is largely related to the amount of power and authority the government is willing to give to the various stakeholders. Mining is critical to the economies of Saskatchewan and South Australia. In both cases the government receives large royalties from the mining because mineral resources are constitutionally owned by the state. Therefore the government has accorded considerable power and respect to the mining companies in the region. Though the federal government technically has ultimate authority over uranium mining, the devolution of power in both cases is such that the federal authorities largely defer action to their state or provincial counterparts. The Canadian situation with regard to the separatist movement in Quebec has made federal involvement provincial affairs particularly sensitive. In Australia, the current federal government has a stance of encouraging mining and limiting Aboriginal land tenure. Previous attempts to reach a completely confederal approach, such as the Western Australian mining in 1990 and the Citizenship and Immigration Act in 1992, have largely been unsuccessful. Given this dynamic, the native groups have the decision but to negotiate: the alternative to negotiating would be to have a relatively autonomous mining establishment in their midst with minimal regulatory considerations for their welfare.
The power of legitimacy

The ENGOs in both cases are largely represented by urban inhabitants who are far removed from the plight of the native community. In the Canadian case, the most prominent members of the Inuvialuit Land Claims Association had never actually visited the mining communities in northern Saskatchewan.14 There was no native person who was formally a member of this organization. The native groups in Canada could have a very legitimate concern because most of them were residing in close proximity to the mine and the relative isolation of these communities and their adherence to subsistence-oriented lifestyles based on hunting and fishing was well documented.

In the Australian case, the issue of legitimacy loomed large for both native and green groups. While Canada has a category for multi-racial individuals, known as Metis, Australia does not have such a categorization. Therefore the mining company was mindful of ‘white-looking’ people who were claiming Aboriginal ancestry and hence compensation. Because of the hunter-gatherer nature of Aboriginal society, it is also very difficult to delineate tribal domains over areas of land. In fact, there was an informal system of property rights in Aboriginal society and hence anthropologists have struggled to demarcate ancestral lands for mining purposes. The legitimacy of certain native claims were therefore subject to scrutiny from anthropologists who had widely differing views. Archaeological evidence suggests the primary means that the company used in its determination of Aboriginal claims. The ENGOs attempted to present anthropologists that could perhaps legitimate the claims of the Aboriginal groups who were supporting their case. However, since very few of the Aboriginal people were actually living near the mine itself and were themselves residing in nearby cities, the claims were difficult to support. Some notable anthropologists did, however, challenge the mining companies’ assertions but were largely ignored. The urban background of the ENGOs also made matters more difficult for the corporate relations officer for the WMC referred to many of the ENGO representatives as ‘kids from the garden suburb of Melbourne on holiday from university’.15

The power of commitment

Mining ventures by their very nature are relatively ephemeral, usually not lasting for more than 30 years. Therefore, gaining a commitment from the company to decommission the mine and remediate afterwards is the most crucial dimension of any such agreement. The company in return could also want a series of commitments to reach an amicable settlement. However, in development disputes of this kind it is not easy to identify the
benefits the community can attain through a formal commitment from the mining company. The tacit commitment that the company would seek is positive relations with the community so that there would be no hindrance to their activities in times of protests or sabotage. However, according to the mining executives, the protest that the ENGOs staged were not of much consequence and they would not need any commitments from the environmental groups. The clearest means of gaining commitment in such cases is to involve legal terms and conditions for a settlement. Lawyers are inevitably involved in such cases. The ENGOs in both cases were not staffed by any lawyers nor were they able to hire any legal professionals to this end.

The Aboriginal groups in Australia were partly represented by the Australian Legal Rights Movement, which is not affiliated with any specific environmental cause. In the Canadian case, there was no direct legal involvement as most of the native grievances were addressed through public hearings held in various parts of the province. An Impact Management Agreement is proposed to be the legally binding document in this case. The governments in both cases are responsible for monitoring compliance with any agreements reached.

The process of engagement

In both cases the ENGOs did not want to directly negotiate with the mining company. Most communication between the ENGOs and the mining company was carried out through government channels. Environmental Quality Committees were set up by Cameco in northern Saskatchewan in order to gauge opinions of native groups regarding environmental management. The Athabasca Working Group comprised the respective chiefs of Hardt Lake, Black Lake and Pond du Lac and the mayor of the hamlet of Willoxton Lake, Injun Rapids, Uranium City and Caniella Portage, and had regular meetings from March 1994 onwards. It held several public meetings as well but there is no record of ENGO involvement in this process. The Working Group came up with an 'Agreements-in-Principle on Environmental Protection and Compensation' on 21 January 1998.

Various consultative committees were organised in the Australian case as well. The ENGOs believed that most of these entities were modelled by the mining companies to fit their interests and hence they did not participate in any of their activities. Though the feasibility of some of these groups, particularly the Dust Mitigation Council, is highly questionable, the inability of the ENGOs to engage the company in any process of reconciliation with the native groups is nevertheless a matter of some concern. A conference was also organised by VAC, in which various ENGO representatives were invited. Amnesty International was the only international NGO that agreed to participate in this session and it did so for human rights concerns rather than environmental causes. Though the divisions within the Aboriginal community were often attributed to the environmental community to a corporate neo-colonial policy of divide and rule. It is important to recognise that the rationalisation made the situation considerably more complex for the mining company as well. In order to alleviate this problem, the company initiated a process of mediation between the Aboriginals and the Enbridge and the Ktunaxa Peuples' Committee. An Aboriginal person from the eastern states was hired to be the mediator.

Competing interests and the corporate objective

The ENGOs and ENGOs represent stakeholders with a variety of interests and values that are not shared and thus any alliances that may form are usually strategically opportunistic and can be divisive. This is not to doubt the sincerity of each group towards the other but rather a manifestation of shifting world views about development that are not easily reconcilable. Uranium mining exemplifies these differences most acutely because the ENGOs advocate a permanent moratorium on uranium mining, while most of the native groups do not share this stance. An important lesson is the relationship between culture and power (Land and Duryea 1994). In both cases the indigenous groups have similar hunter-gatherer lifestyles and honor share certain anthropological traits in terms of their perceptions of the natural world, their values and their conceptions of power. How well an ENGO, INGO or business is able to ‘empower’ the community or place things in perspective for all sides is dependent on their understanding of this cultural divide. The Canadian company was best able to proceed more successfully in its negotiations with the indigenous community because they provided forums such as the Athabasca Working Group which gave the communities a feeling of empowerment and respect.

Differences in bargaining power can often lead to distribution with the process of negotiation. Indeed, there is sometimes a perception that the mere process of negotiation is perhaps a concession to the other side. This has been the case in many ecological disputes, particularly those involving ENGOs. However, a closer analysis reveals that such inconvenience usually leads to longer-term adversarial relationships among stakeholders, thereby undermining the interest of all sides. It is therefore important when there is no legal recourse or the expense involved in seeking an adversarial alternative is unacceptable.

Several models of negotiations have been proposed by economists, sociologists and lawyers. In economics, for example, ‘game theory’ has been used on negotiations discourse ever since Thomas Schelling wrote The Strategy of Conflict (1960). However, conceptualising the particular negotiating circumstances in uranium mining cases requires a broader appreciation for various approaches to dispute resolution. The cases of James Oswald and Julia Woodside have compiled a volume (1999) on environmental disputes with several case examples on how appropriate mediation and negotiation strategies have been more effective than conventional modes of social resistance.
under discussion are not zero-sum games and therefore require more than just a static model of possible outcomes. A more dynamic analysis involving anthropological and qualitative approaches to personal and organizational behaviour is helpful (Hussain and Fleet 1993).

Positive outcomes from negotiations may be difficult to envisage or attain. Economists such as James Crotcher (1996) have argued that there are essential characteristics of mining companies and the nature of the global mining economy that can cause breakdowns in negotiations. These characteristics result from the relative monopoly over economic development that resource extraction companies have in remote regions. Like all cases of monopoly power some form of external intervention, such as government mediation, may help to move the process forward. Even without government intervention, existing interactions between businesses and NGOs, both indigenous and environmental, could be improved, and the long-term viability of a project could be considerably enhanced, by appreciating the various sources of negotiating power that have been highlighted in this chapter. The business community needs to understand the dynamics of strategic coalitions between NGOs more closely and to try to cultivate negotiating power for consensus movements, so that they do not have to rely on opportunistic and divisive activities. We all need to be aware that NGOs may form coalitions in an opportunistic fashion which can mask differences, thereby making the coalition unacceptable to certain investors and concerns. At this stage, one NGO can be interested in corporate activity because of the impact on a specific issue of ideological concern, and another can be interested because of the effect of a corporation’s activity on a group of constituents. This is an important consideration for business because of the increasing concerns with accountability.

From the arguments of Cheryl Rodgers (Chapter 2) and Bob Lake and Jen Bendell (Chapter 3) in this volume, we are able to say that many companies today are seeking effective systems for demonstrating their accountability to society, given the breakdown of traditional means of maintaining corporate reputation and legitimacy. Consequently, for a corporation, the divisions between different NGOs to further immediate goals is short-sighted and ultimately counterproductive. Instead, the different interested and affected parties and their representative NGOs should be supported in various ways to pursue in meaningful dialogue and then even negotiation. Companies cannot avoid this process to civil society alone, as coalitions of NGOs can marginalise certain issues (Vogeler 1985). Instead, companies should take a leadership role in helping to support systems of independent consultation, which may include efforts to build the organizing and negotiating capacity of affected groups. This is a major undertaking for an individual corporation, and so partnership with other companies, major international NGOs and intergovernmental agencies is advisable. Thus the mining industry may have

something to learn from initiatives such as the World Commission on Dams or the Forest Stewardship Council (see Chapters 4 and 5).

As far as business interactions with conflict-oriented NGOs are concerned, the doors should always remain open for negotiation. Keeping in mind the other stakeholders’ RMA helps us to appreciate the reasons for resistance. In the final analysis there will always be some degree of value-based resistance between certain sectors of the NGO world and the business community. However, by being more discerning about the reasons for conflict and going beyond a zero-sum game, we can at least endeavour to disagree without being violently disagreeable.

19 Smith and Wells (1975) also undertook a detailed study of negotiations involving mining companies and governments of developing countries. The dynamics of such talks may, however, be quite different, given the nature of ‘the state’ in many parts of the world. The ‘begging hypothesis’ is also tested in some detail by Kohlin (1975) in the context of the manufacturing industry.