Southern Africa Trust

Philanthropy and Development in Southern Africa

Philanthropy and Resource Governance

Shauna Mottiar

Executive Summary

In the Philanthropy & Development in Southern Africa series, three related research papers; on philanthropy and resource governance (Shauna Mottiar), on illicit flows and tax (Khadija Sharife), and on illicit flows and the potential and policy required to change economic structures (Sarah Bracking), all focus on the contemporary and enduring problem of economic injustice in Africa in the context of huge and increasing outflows of illegally transferred wealth. The three papers explore illicit financial flows as both cause and consequence of malign structures of political economy, and then ask what philanthropists can best do about the agenda of illicit flows and economic justice.

In the first paper, Mottiar considers the role of philanthropy in the resource governance debate by drawing on evidence from three examples of resource extraction in Africa. It begins by outlining the scope of resource governance and considering understandings of philanthropy, and argues that philanthropic practice has some way to go before reaching its optimal potential for catalysing change.

Most resource extraction initiatives in Africa occur in countries where there are severe development backlogs and socioeconomic depravation. An obvious question raised by proponents of social justice is whether and how some of the profits accumulated by resource extraction find their way back to the countries of origin and specifically back to the communities they affect. Does philanthropy have a role to play in facilitating this process? Is there scope for philanthropic decisions to impact on socioeconomic transformation and on development? Mottiar examines these challenging questions and concludes that philanthropic initiatives – including Corporate Social Responsibility - should be required to uphold principles of social justice philanthropy. This includes supporting existing CSOs, networks and movements which focus on the root causes of social problems and commit to structural or systemic change. Clearly this would pose a significant challenge to CSR initiatives emanating from companies that are committed to ensuring the status quo in so far as it benefits the bottom line. It would however go some way to provide resources for social justice and build the capacity for human agency.

In the second paper, Sharife argues that not much has changed since the days of the Rosetta Stone, when it relates to 'governance' of what the paper terms the 'needs economy'. This 'needs economy' is a product of hyper-competitive economic systems that frame social welfare of the public (often falling into the needful or 'needy' category) as the voluntary responsibility of successful philanthropists, rather than governments elected by the people. Unlocking language – and definitions, is often key to unlocking economic policies. The 'needs economy' has allowed for the ordering and management of reality by experts who act within spaces of unaccountable wealth, with philanthro-capitalism framed as being without history and politics, despite monies generated

This project was a collaboration between the Southern Africa Trust and TrustAfrica. Research funded by TrustAfrica and the Bill & Melinda Gates Foundation.

through systems of inequality.

As an example, Transparency International (TI), a product of the World Bank, specialising in 'third worlds', has a definition of corruption which limits the geography to that of demand-side or political corruption 'abusing public office for private gain', resulting in African countries being placed at the top of the list. Ironically, the world's leading tax havens (facilitating legal and financial secrecy) are 'first world' countries such as the US's Delaware, Switzerland, Netherlands, or the UK's City of London which itself runs a significant portion of tax havens globally (such as British Virgin Islands). In fact, 80% of international financial activities take place through offshore markets. And Africa's biggest source of illicit flight is corporate tax avoidance, much of it facilitated offshore. Furthermore, initiatives such as the Extractive Industries Transparency Initiative (EITI) is supported by the World Bank and funded by the same multinational companies. Companies receive the 'purchase' of legitimacy from the organization on disclosing what has been paid to governments. Sharife explains in detail the problematic system which inherently misdiagnoses the problem of illicit financial flows, sighting various examples. The limitation of the EITI frame of reference to national boundaries instead of the actual functions of transnational corporate structures, critically excludes the role of transfer (mis)pricing, tax avoidance, and thin capitalisation. Rather than correcting systemic inequities, Sharife argues that governance acts as a glorified "band-aid" to ensure a continued management and stabilisation of poverty, which, prevents collapse or radical overhaul. Indeed, as famous philanthropist Carnegie notes, "Philanthropy is the true antidote for the reconciliation of rich and poor... in requiring only the further evolution of existing conditions, not the total overhaul of our civilization."

In the third research paper, Bracking begins with the problem that the scale of funds available to philanthropists to ameliorate poverty, inequality and social exclusion is far outweighed and offset by the much bigger outflow of illegally earned or transferred wealth that is illicit financial flows. While diligent philanthropic organisations can ensure their own independence from criminality at an organisational level, and can undertake due diligence on their partners and associates, it is the wider context of how to campaign for economic justice in an unjust economic system that vexes philanthropists, just as it has done for centuries. If merely palliative, philanthropy can even contribute to increasing the power of the organisations and persons causing harm. The desire to change the actual structures which generate illicit financial flows is therefore a strong one, because, if successful, it would release philanthropists from the thankless job of picking people up so they can be exploited and abjected all over again by the institutions and organisations of the extractive economy that is Africa's inheritance.

There are two main challenges to philanthropists wishing to reduce and stop IFFs: an economic policy one of what it is that could do this; and a political one of who would make that happen. This paper argues that the first challenge is relatively easily surmountable given that examples and exemplars already exist for the types of regulatory and policy changes required. The second, however, is a thornier issue, and requires political will. Without an obvious political elite prepared, willing or able to take up the challenge of sovereign economic development and economic justice the job falls to a new type of movement platform which can pull together the energies of what are, at present, quite disparate issue- and sector-based CSOs and philanthropic organisations. The challenge is to build strength in unity by respecting diversity, but can philanthropic organisations rise to this essentially political challenge?

Index

[1] *I am extremely grateful to Sarah Bracking, Halima Mahomed, Bheki Moyo and Yao Graham for their valuable comments to various drafts of this paper.*

[2] *Shauna Mottiar is a Post-Doctoral Fellow at the Centre for Civil Society, University of KwaZulu-Natal, South Africa – mottiar@ukzn.ac.za*

Abstract

Philanthropic practice in the resource extraction sector is significantly under researched and forms the basis for this study. An obvious concern for social justice scholars and development scholars alike is that massive profits accumulated from resource extraction initiatives in Africa are seldom re-invested in the communities directly impacted or even more broadly in the development agendas of countries that house these resources. This paper considers the role of philanthropy in the resource governance debate. It begins by outlining the scope of resource governance and considering understandings of philanthropy. Drawing on preliminary evidence from three (random) examples of resource extraction in Africa, it argues that philanthropic practice has some way to go before reaching its optimal potential and that further research is required to gain more insight into this potential. The paper concludes with a discussion on philanthropy's role in resource governance and incorporates a series of recommendations.

The Scope of Natural Resource Governance

Natural Resource Governance is typically understood as "the set of strategies aimed at improving the transparency and accountability of governments and private companies during the licensing, exploration, contracting, extraction, revenue generation and allocation of natural resources" (Mejia-Acosta, 2010: 1). It could further be contextualised within understandings of 'Development Governance' (Least Developed Countries Report, 2009: vi) defined as "governance oriented to solve common national development problems, create new national development opportunities and achieve common national development goals". This would include designing appropriate institutions, but also prioritising policies and the processes through which they are formulated and implemented. Development governance is therefore about the processes, policies and institutions associated with promoting national development and ensuring a socially legitimate and inclusive distribution of its costs and benefits. For the purposes of this paper 'resource governance' will focus on the allocation of funds, accumulated through resource extraction, towards the social good. In other words, it will focus on philanthropic practice within the resource extraction sector. While the full scope of natural resources would include forests, land and water, the paper's focus will be the non-renewable resources of oil, gas, minerals and metals as highlighted through the proliferation of various global governance initiatives over the last decade. These initiatives seek to counter development challenges associated with the 'resource curse' such as government corruption, the erosion of political institutions and poor economic impacts. The challenge of such initiatives is to devise institutional mechanisms that make governments accountable for the allocation of revenues extracted beyond the tax system – revenues substantial enough to potentially alleviate existing socioeconomic inequalities. Coupled with this is the challenge to regulate the workings of international (profit-driven) corporations active in developing countries. Lack of regulation in this context too easily results in economic, social rights, environmental and security violations. It is in this context that this paper seeks to draw attention to the nature, potential and challenges of philanthropy.

Andres Mejia-Acosta (2010) argues that most resource governance transparency and accountability initiatives are ends in themselves rather than the means with which to achieve improved social outcomes. So while initiatives have an explicit or implicit concern with the improvement of development outcomes regarding, for example, reduced corruption of government officials, and a more egalitarian distribution of wealth and poverty alleviation, they fail to provide a convincing theory of change with regard to how these outcomes can be achieved. Their mechanisms are usually geared to improve the process through which actors and institutions can bring governments to account. Most initiatives focus on process-driven outcomes such as increasing the participation of civil society organisations, promoting the disclosure of contracts and demanding increased revenue transparency. The assumption is that such measures would have a direct impact on larger objectives. A scan of the Resource Governance Index (Natural Resource Governance Index) indicators illustrates this point. The index has four components: whether the prevailing legal and institutional framework supports transparency and accountability; what information is published about the resource sector; what safeguards are in place to promote integrity in its governance and whether the broader institutional environment is conducive to accountability in the extraction sector. Likewise, other initiatives designed to strengthen resource governance such as the Kimberley Process Certification Scheme (KPCS), the Publish What You Pay Coalition (PWYP) and the Extractive Industries Transparency Initiative (EITI) focus largely on measures to increase accountability and transparency. These include compelling signatories to establish a system of internal controls to prevent the sale of conflict diamonds (KPCS Section iv-a), promoting evaluation and monitoring of resource extraction projects by civil society (PWYP Vision 20/20, 2.1) and tracking reconciled payments by companies and revenues received by governments in the resource sector (EITI Handbook, Ravat and Kannan: xii). In this sense, resource governance initiatives are formulated as guards against the negative aspects of extraction and revenue generation in the resource sector rather than formulating methods that directly impact upon the goals of development or social justice.

Initiatives to further development governance respond to the call for mining sectors to encourage local participation and acknowledge local concerns, enhance local livelihoods, respect human rights, minimise negative social and environmental impacts, transform mineral mining into sustainable value through the promotion of linkages and diversification, develop local economic capabilities and enterprise ownership and enhance local economies (Graham, 2013). A consequence of this has been the Africa Mining Vision of 2009 which, among other things, promotes: mining regulatory regimes which adhere to social, environmental and health standards; improving public participation through consultation and participatory decision making; eliminating human rights abuses and natural resources fuelling conflicts; integrating resource governance principles (e.g. KPCS, EITI, PWYP) into national policies, laws and regulations; building the local economy through provisions such those contained in the South African Mining Charter (2002) which provide for local skills development, local staff complement targets, local equity ownership targets and local beneficiation and; enhancing sustainable livelihoods through developing artisanal and small scale mining such as proposed in the 2002 Yaounde Vision (Africa Mining Vision, 2009).

Most resource extraction initiatives in Africa occur in countries where severe development backlogs and socioeconomic depravation exist. An obvious question raised by proponents of social justice is whether and how some of the profits accumulated by resource extraction find their way back to the countries of origin and specifically back to the communities they affect. The argument that this paper makes is that philanthropy is one of the ways in which this process can be facilitated and that it has a significant role to play in reaching development goals and impacting on socioeconomic transformation.

Understanding Philanthropy

Philanthropy in its purest definition translates from the Greek philanthropos: humanity, tropos: loving and contemporary definitions centre on "the use of private initiatives for the public good". Three main approaches to philanthropy are discernible in mainstream literature (Anheier and Leat, 2007). The first is the charity or service approach which has its origins in religious or moral practice stressing help for the 'less fortunate' through alms giving, tithing and its equivalents. This approach has been adapted to provide services complementary to those provided by the state or to fill gaps in statutory provision. The second approach is the philanthropic or science approach which is distinguished from the charity approach by its focus on addressing the causes rather than symptoms of problems. Proponents of this approach included philanthropists Joseph Rowntree (Rowntree Trusts) who proclaimed that philanthropy should search out underlying causes rather than remedying the superficial manifestations of weakness or evil (Anheier and Leat, 2007: 20) and philanthropists Andrew Carnegie and John D Rockefeller. Carnegie in the 'Gospel of Wealth' argued that "the best means of benefitting the community is to place within its reach the ladders upon which the aspiring can rise." (Frumkin, 2006: 8). Likewise Rockefeller in 'The Difficult Art of Giving' argued that "the best philanthropy... is not what is usually called charity... but the investment of effort, time or money... to expand and develop the resources at hand and to give opportunity for progress." (Frumkin, 2006: 8). Philanthropy is therefore distinguished from charity by virtue of its focus on the structural and systemic conditions that cause social malaise while charity merely treats the symptoms of this malaise. (Frumkin, 2006: 5). It is also within this distinction that approaches to 'social justice philanthropy' have been developed. Social justice or social change philanthropy advocates for grassroots organising and democratic base building as means for creating deeper forms of democratic civic participation in community and national affairs (Faber and McCarthy, 2005: 10). This approach contends that addressing causes rather than symptoms of social malaise can be better achieved by philanthropic efforts that: uncover the root causes of social problems, support social movements that aim for social, political and economic equity, and include constituents in grant making decision processes as well as governance structures (Shaw, 2002; Hunsaker and Hanzl, 2003). In this way, philanthropy has more potential than charity which: reinforces existing power dynamics, supports causes that do not challenge the status quo, and emphasises the temporary alleviation of problems. The third approach to philanthropy discernible in the literature is the venture philanthropy or entrepreneurial philanthropy approach. Also dubbed 'philanthro-capitalism' this approach reflects the rapid accumulation of new wealth from 1990 onwards including the massive wealth generated from the IT sector. The 'new' philanthropists perceive philanthropy as an investment as well as a viable method to create social wealth. They contend that methods drawn from business models can be used to solve social problems and yield more efficiency than methods employed by the public sector or by civil society initiatives (Edwards, 2008).

Beyond mainstream understandings of philanthropy, this paper seeks to elevate indigenous understandings of philanthropy to their rightful place. This is of particular relevance within debates and discourses around resource governance in Africa. Jacob Mati has posed the question 'African philanthropy or philanthropy in Africa?' (Mati forthcoming). This query underscores the fact that African philanthropy has many expressions and has yet to be formalised within mainstream discourses. In a seminal work, Susan Wilkinson-Maposa et al (2005) identify new conceptual frameworks for understanding indigenous giving. They argue that giving and helping among people in southern Africa is widespread, firmly entrenched and vital for both survival and progress. Their research reveals that 'horizontal' philanthropy takes the form of material exchanges such as food, money and clothing as well as non-material exchanges such as physical / manual support, contribution of time and skills, knowledge sharing and moral / emotional support. 'Horizontal' philanthropy is practiced by friends and neighbours in particular communities and may include local associations and formal organisations. Elsewhere (Mottiar, 2013) and together with Mvuselelo Ngcoya (Ngcoya and Mottiar forthcoming) I argue that 'horizontal' philanthropy as opposed to 'vertical' philanthropy refers to patterns of giving occurring among equals. In this sense givers are not 'richer' and recipients 'poorer' nor is giving institutionalised but rather socially embedded and morally grounded. Forms of 'horizontal' giving are found in the Zulu traditions of ukwenana, ukusisa and ilimo. Ukwenana is a cultural form of exchange where the recipient will accept intending to return or reciprocate in kind but the giver will engage in the action knowing that there may not, in fact, be reciprocation. In ukusisa the givers will hand over part of their property, perhaps cattle, to recipients who do not own livestock. The cattle will eventually be returned but its offspring will become the property of the recipient. In ilimo the recipients will initiate the giving action by providing food and drink and inviting givers to help plough or harvest their lands with the understanding that the action will be reciprocated. These practices are grounded in the philosophy of ubuntu or a common humanity – "my humanity is tainted if your humanity is not recognised and assisted when in need". Interestingly enough these traditions also resonate rather closely with tenets of social justice philanthropy. 'Horizontal' philanthropy casts givers and recipients as equal in the philanthropic act. The implications of this are that recipients are not debased or humiliated by giving nor is there a formulation of hierarchy. The ukusisa mechanism of building the wealth of individual families or community members means that the causes of lacking are addressed as opposed to their symptoms. This is in keeping with basic distinctions that have been made between philanthropy and charity. The ilimo process of sharing labour skills has an element of sustainability in that, although not contracted, labour will be available as part of a community network. This practice also ensures that although givers play an important role, recipients remain at the centre of the philanthropic action. These are important considerations given that mainstream critiques of 'vertical' philanthropy have centred on challenges of both sustainability and legitimacy of philanthropic endeavours.

In a review of philanthropy and its impact on equity in South Africa Christa Kuljian (2005) identified the following forms of philanthropy: local communal giving mechanisms (including horizontal forms of giving, stokvels and burial societies); individual giving (including family foundations); corporate social responsibility (CSR); community foundations; local grant making organisations and international private foundations. Given that this paper is centred on forms of philanthropy within the resource extraction sector it will focus on vertical forms of philanthropic practice, specifically foundations and CSR. This paper does however contend that drawing on horizontal forms of philanthropy and local giving mechanisms will enrich the quality of philanthropic practice – this is elaborated on in a later section below.

Foundations

Foundations are generally understood (Anheier and Leat, 2007: 15) as assets financial or otherwise that are institutionally separate from government, enjoy a meaningful degree of autonomy and do not return profits generated by either use of assets or the conduct of commercial activities. The term 'foundation' or 'trust' is typically used to refer to an organisation that has an endowment from which it derives income. Some foundations do not have permanent endowments however, and derive their income from a regular covenant, such as a company foundation, while others, such as community foundations, may have an endowment but also raise money for current expenditure and for building up an asset base. Foundations are promoted for a number of reasons. The first is their potential to redistribute resources from rich to poor. Many foundations adopt a policy of funding work in disadvantaged communities with the aim of equalising the distribution of resources. In this way there is some move towards creating a fairer society without radical social or economic transformation. This goal is also taken as essential to sustaining existing social and economic arrangements – in other words dealing with the damaging side effects of a market system. The second reason foundations are promoted is because they are ideally placed to formulate innovation. There is enough evidence of innovation by a number of foundations working in science, research, the arts, health, social welfare and the environment. The argument is that foundations are able to innovate because they are not pressured by accountability to constituents (as would be the case in the public sector) or to customers and shareholders (as would be the case in the private sector). A third reason foundations are promoted is their ability to promote social, policy and practice change. Foundations have actively promoted radical policy change but also effected social change more subtly through fostering recognition of new needs or 'giving voice' to concerns. In this way the participation and empowerment of people from marginalised communities has been expanded. Foundations have also often funded small scale local projects which have then been taken up in the public and private sectors and replicated. Foundations have also been instrumental in changing the way society and policymakers think about social issues and their solutions thus increasing the cultural and political 'menu' of options for global ills.

Examples of foundations achieving these mandates form part of an extensive literature on philanthropy. Arguing for the 'power of foundations' Daniel Faber and Deborah McCarthy (2005) remind of the Rockefeller Foundation's fostering and shaping of scientific research, the Ford Foundation's influence on public policy since the 1950s, including a focus on poverty and political marginalisation among 'people of colour' and among women and the role of the Russell Sage Foundation in entrenching national standards related to housing, sanitation and public health. Nearer to home, South African scholars of philanthropy can draw on similar examples of post-apartheid foundations. These include the Nelson Mandela Foundation set up in 1999 by President Mandela following his retirement from active politics. Through the creation of strategic partnerships and networks, the foundation aims to direct resources, knowledge and practice to add value and demonstrate new possibilities. Through two initiatives, the Siyaphila La HIV/AIDS project (Nelson Mandela Foundation & Medecins Sans Frontieres, 2006) and the Social Cohesion initiative (Nelson Mandela Foundation, 2009), the foundation illustrated a commitment to dealing with issues that had been marginalised by government policymaking processes. These issues are the provision of antiretroviral medication in the public health care sector and xenophobia respectively (Mottiar, 2011). Another example is the Shanduka Foundation formed in 2004 as a vehicle through which the Shanduka Group could channel its social and community investment initiatives. The Shanduka Group is an investment company, with a portfolio comprising resources, financial services, property, energy, beverages and industrial elements. It is committed to the objectives of South African BEE policy to "transform South Africa's economy to allow meaningful participation by black people and to change the racial profile of companies, owners, managers and skilled professionals". Among the foundation's initiatives were the Adopt a School project and the Black Umbrellas programme, both of which were registered under South African legislation as Section 21 non-profit entities. The initiatives are less genuinely transformative in the sense that they do not seek to impact on existing structural or systemic norms but they do exhibit a redistributive aim (in the case of supporting education in under-resourced schools) as well as an appetite for innovation (the Black Umbrellas initiative supported emerging black entrepreneurs with the objective of facilitating the development of small and medium enterprises in South Africa) (Mottiar, 2011).

It would be unwise however to approach the 'power of foundations' uncritically. Aside from the mainstream critiques that apply to philanthropic practice including limits to effectiveness, accountability and legitimacy, Craig Jenkens and Abigail Halcli (1999) advance two theories to analyse philanthropic practice by foundations that centre on social change: the 'social control' thesis and the 'channelling' thesis. Their area of specialisation is social movement philanthropy or philanthropy that supports and facilitates the transformative agenda of social movements. The 'social control' thesis advocates that philanthropic activity is strategically limited to moderate as opposed to radical projects – curtailing avenues for genuine transformation. Philanthropic initiatives focused on the American Civil Rights Movement in the 1960s and 1970s, for instance, peaked with major funding directed towards African American voter registration but declined when the movement took on 'contentious' issues such as school integration and bussing conflicts. The 'channelling' thesis asserts that philanthropic activity results in the 'professionalisation' of movements and groups – converting them into institutionalised organisations. This effectively removes the incentive for organisation leaders to mobilise at grassroots level (affecting an aspect of legitimacy), blunting the movement and reducing its impact. This is evidenced by the philanthropic support of professional American feminist advocacy and service centres in the 1980s which although securing policy change and ensuring its enforcement, did not encompass the continuous wave of feminist protest occurring at the time.

Beyond the theoretical there is also the very practical concern of foundations that are not genuinely philanthropic (or even charitable for that matter) but are created for unscrupulous purposes. Illicit financial flows out of Africa for example are estimated to be as much as US$50 billion dollars a year, sixty per cent of which is attributed to commercial transactions though multinational companies (United Nations Economic Commission for Africa, October 2012). The resource extraction industry therefore comes under the spotlight. According to Raymond Baker there are a number of interrelated parts of the illicit financial structure. These include tax havens, offshore secrecy jurisdictions, free clauses, mispricing, transfer pricing, disguised corporations and anonymous trusts as well as fake foundations (Baker, 2007).

Corporate Social Responsibility (CSR)

The concept of CSR is a broad one and has been interpreted and adopted to suit many and varied purposes. Basically CSR addresses the relationship between business and society. The primary relationship between the two is usually economic. Rising public awareness about the social and environmental impacts of economic growth however and increased legislative focus on social welfare and environmental protection have forced corporations to review the impact of their profit-making (Banerjee, 2008). CSR is understood as recognising that: companies have a responsibility for their impact on society and the environment beyond legal compliance; companies have a responsibility for the behaviour of others with whom they do business (e.g. supply chains); and business needs to manage its relationship with society for reasons of commercial viability or to add value to society (Blowfield and Frynas, 2005: 499).

Various CSR initiatives employ the terms, 'corporate citizenship' and 'strategic philanthropy' which are often applied interchangeably and in a vague manner, but have in common a careful avoidance of the word 'philanthropy' without some prior qualification. In corporate terminology CSR is distinguished from corporate social investment (CSI) in that the former refers to responsible business practice and the latter to giving initiatives. CSR, although incorporating 'private initiatives for the public good', is however less about genuine philanthropy and more aligned with the concept of business ethics. This is associated with the emergence of industry standards and soft law, often in the form of Codes of Conduct or Codes of Best Practice. Michael Blowfield and Jedrzej Frynas (2005) point out that while the concept of CSR may be recent, the idea of business ethics and social dimensions of profit making is not and dates back to western thinkers such as Cicero in the first century BC and eastern philosophers such as Kautilya in the fourth century BC. What has elevated contemporary interest around CSR, however, is its association with the role of the private sector in meeting development goals. The private sector in the developing world is seen as a partner in the development process. It is touted as a way business can 'play a role' in development. This is problematic for two reasons: Firstly, CSR emerged in developing economies with a focus on adopting universal norms. It is therefore difficult to transpose it to developing economies for the 'benefit of the poor and marginalised'. Secondly, the normative critiques of CSR apply. These include the view that the maximising of profit is irreconcilable with principles of 'social responsibility' and the observation that CSR initiatives are often limited and superficial – failing to deal with structural / systemic causes of socioeconomic ills and seeking rather to mitigate its symptoms. Further to this is the argument that discourses of CSR and related discourses of corporate citizenship and sustainability are in fact, used to legitimise and consolidate the power of large corporations (Banerjee, 2008).

Given its broad interpretations and its lofty role in development discourses, how could 'philanthropy' could be brought into CSR as a way to strengthen the idea of ethical business practice? Marina Prieto-Carron et al (2006) argue that CSR debates, and more specifically, the role of business in poverty reduction in the developing world, have been dominated by northern perspectives and need to be expanded to take cognisance of southern perspectives. They argue that for CSR to benefit workers and communities socially (and environmentally) there needs to be a rigorous critique of the CSR agenda to include: its ideological underpinnings, issues it chooses to include and exclude, its tendency to avoid gender, class and race considerations, its actual (as opposed to postulated) effects and the inclusion of guiding principles in relation to regulations, profit strategies, governance and political responsibilities.

Two areas of CSR require comment in respect of formulating a more genuine philanthropic model. The first of these regards power relations and participation and the second, the governance dimensions of CSR (Prieto-Carron, 2006). Power relations and participation are vital considerations in the CSR debate given that it is an arena of political contestation when it comes to defining relations between the market and state, among different actors and social groups and in relation to participation in decision-making. Likewise contemporary governance is less centred in formal constitutional powers and more in a variety of business and civil society initiatives in setting regulatory frameworks for economic development. CSR initiatives are therefore seldom formulated within development or transformative agendas prioritised by developing states.

Further to this a genuine CSR model would need to take into account the full range of corporate activities and how they impact on development. Beyond a 'responsibility to local communities' corporate activities that display questionable business practice or that seek to influence public policy for profit should be made to have bearing on CSR. CSR should also problematise the structural power of capital and its ability to influence the political process. Businesses strategic use of CSR (marketing or legitimisation) has significant bearing on the quality of CSR and should be tempered by supportive legislation, more diverse decision-making structures and increased stakeholder participation (Mukherjee-Reed and Reed, 2004). Since all use of CSR practice has a bearing and indirect relationship to the 'bottom line', it is epistemologically impossible to model 'genuine CSR' in relation to 'fake CSR' as the difference can only be a matter of degree and the two objectives of profit making and giving will not be mutually exclusive in context. However, the difference in the mix of the two is significant in allowing contemporary philanthropists who own businesses and who wish to 'give back' or 'make a difference' to be recognised as such. Of use to the public in this respect would be an index that compares the value of the CSR intervention with the total value add of the country in the context of the corporates' value, turnover and profits. In contrast, evaluating CSR interventions only in their own, self-standing and non-relational terms tends to give them good press as 'anything is better than nothing' becomes a foundational maxim.

Debashish Munshi and Priya Kurian (2007) make the case for the 'subaltern public' with regards CSR's 'omissions'. They argue that discourses of CSR consolidate the privileging of powerful political and corporate elites and the marginalisation of those who lack purchasing power or lobbying clout (p. 439). CSR discussions concentrate on activities of corporations but rarely take into account that corporations and states are the cause of the problems they seek to address. Munshi and Kurian contend that "the nexus between corporations, states and financial institutions constitutes a dominant coalition that undermines subaltern politics" (p. 441). CSR's inability to impact on structural change further renders it more useful to the elite than to the subaltern. Its contribution to 'development' or impact on 'socioeconomic transformation' is therefore limited and shallow (p. 441). For Munshi and Kurian the term 'responsibility' has undertones of the civilising mission of the colonial era which concealed genuine motives for social, cultural and political domination. Subaltern politics are not in the range of CSR vision statements simply because "when commercial interests and broader social welfare collide, profit comes first" (p. 443).

Philanthropy in the Resource Extraction Industry

Philanthropic practice in the resource extraction sector is significantly under researched and forms the basis for this study. An obvious concern for social justice scholars and development scholars alike is that massive profits accumulated from resource extraction initiatives in Africa are seldom re-invested in the communities directly impacted or even more broadly in the development agendas of countries that house these resources. Is there a role for philanthropy in the resource governance debate? I would argue emphatically yes. Given philanthropy's potential for redistribution, innovation and policy transformation it stands to impact on resource governance in significantly positive ways. Preliminary evidence from three (random) examples of resource extraction in Africa suggest, however, that philanthropic practice has some way to go before reaching its optimal potential.

In Nigeria, oil revenue from the Niger Delta accounts for eighty per cent of national income. However despite the government making US$60 billion in oil revenue annually, the country remains plagued with social problems, political instability, corruption, poor infrastructure, negligible social services and endemic poverty (Rexler, 2010). The Nigerian government claims to be committed to development and in 2000 established the Niger Delta Development Commission (NDDC) which has entered into a partnership with Shell Petroleum in the form of the Shell Petroleum Development Corporation (SPDC). The SPDC follows the sentiment of multinational corporations in the region that business has a responsibility extending beyond profit-making to include addressing social problems. Indeed this derives from a global consensus expressed by business in such frames as the Global Social Compact that the purpose of business has expanded to incorporate the 'triple bottom line', a sentiment that has become a core concept in contemporary CSR. Despite this commitment from both sides however, the partnership has yielded little material success. Additionally it has had the perverse effect of weakening state capacity by giving the participating multinational power over development policy and barring possibilities for the NDDC to be composed through internal and organic processes. This is a vital consideration as it is unlikely that the goals of an oil company and the inhabitants of its host country share views on what 'development' entails. Further, given that the NDDC was set up through financial backing from oil companies, the process serves to increase state dependency on multinationals (Rexler, 2010).

This example clearly illustrates the challenges in what Uwafiokun Idemudia (2009) refers to as 'community development partnerships'. In a study of oil extraction and poverty reduction in the Niger Delta he identifies three such partnerships: a government-business partnership (such as the NDDC), a business-NGO partnership (such as corporate funding of an NGO) and a corporate-community partnership (such as a corporate-community foundation). Drawing from his research, Idemudia demonstrates both the potential and challenges of philanthropic activity around oil extraction in the Niger Delta.

A partnership between Mobil and various organisations in corporate philanthropy and social investment (a business-NGO partnership) resulted in supporting an agricultural project that included providing training to local farmers, setting up a technological centre and supporting a rice milling plant. A partnership with NGO Growing Business Foundation also resulted in the facilitation of micro-credit schemes accessible to community members. Yet another partnership with international and local NGOs facilitated the setting up of various healthcare initiatives. The impact of these initiatives were positive in the sense that community members interviewed claimed that Mobil stepped in where government had failed to "take them out of the stone age" and to 'provide resources and infrastructure' (Idemudia, 2009: 100). Idemudia is careful to note however that the net impact of these initiatives on poverty reduction and lack of infrastructure has been minimal. Furthermore the partnership has completely failed to address the negative impacts of oil extraction by Mobil on these communities. Communities interviewed complained that oil spills and gas flares seriously impeded their livelihoods. This included the loss of fishing opportunities, drinking water and damage to dwellings from industrial acid. Mobil denied any liability in this respect citing 'independent studies' clearing it of liability (Idemudia, 2009: 103).

A partnership between Total and various 'host' communities (a corporate-community partnership) involved CSR via corporate social investment in infrastructural provision such as market stalls, classroom blocks and the refurbishing of a health centre. Later it also included the establishment of a corporate community foundation to facilitate various activities including provision of social infrastructure, advocacy and capacity building. The foundation is formulated as one that is community-owned and community-centred and in this sense there has been an enhancement of social capital and also a significant portion of the funds were paid to local labourers, artisans and suppliers who, when interviewed, provided positive feedback as to the foundation's impact on their livelihoods (Idemudia, 2009: 105). Despite this, however, research interviews highlighted various irregularities in the election to the foundation's steering committee and grievances about the lack of employment opportunities at Total. Idemudia also notes that the foundation was set up as a way to quell existing corporate-community conflict which was ongoing and a threat to Total's massive investment in the area. Once again, 93 per cent of community members indicated that oil spills and gas flares negatively impacted on their livelihoods and that community concerns were excluded from decision making in this respect (Idemudia, 2009: 107).

A variety of research questions for empirical study on philanthropy in resource governance thus begin to emerge:

In the case of a government-business partnership:

- What mechanisms are in place to ensure that the partnership meets the expectations of development objectives or best practice codes?
- What processes does it employ to ensure community engagement?
- In the case of a business-NGO partnership:
- How are funded initiatives selected?
- Do the NGOs or organisations in question facilitate genuine community participation?
- In the case of a corporate-community partnership:
- Does the organisational structure (e.g. community foundation) of the partnership operate in a democratic way regarding membership, leadership and decision-making?
- Are there any sustainability measures in place?
- Do community members have a genuine level of power? For example, if they have been given a certain amount of funding from an oil company for a community project, are they also able to engage the oil company on the environmental damage its explorations wreak on their livelihoods through oil spills and gas flares etc.?

More questions of this nature emerge from examples of philanthropic / CSR efforts of diamond mining companies such as De Beers. De Beers CSR initiatives use terms such as 'corporate citizenship' understood as "harnessing the potential of responsible business to contribute to sustainable development" (De Beers Report to Society, 2010: 11) and 'strategic philanthropy' a tool with which to "respond to community needs" (De Beers Report to Society, 2011: 51). A closer look suggests however that 'corporate citizenship' is a viable method of retaining the De Beers "societal license to operate" (Banerjee, 2008: 62). According to a De Beers annual report, corporate citizenship bears an element of maintaining consumer confidence and product value while also an element of engagement and sensitivity to "issues, ambitions and challenges that shape the societies in which we operate" for the purposes of "managing long-term risk by proactively contributing to their growth, sustainability and stability" (De Beers Report to Society, 2011: 3). This long-term risk management is achieved by promoting the company as a good partner in the Annual Reports and in campaigns of advertising and individual acts of social intervention, which of course all serve to prevent or displace other agendas and discussions about De Beers' exploitative extraction firm structure from emerging or gaining ground in the public mind (Bracking and Sharife, 2014). An example of this is the partnership between De Beers and the government of Botswana, Debswana. This partnership assures De Beers a long-term framework for operating in Botswana while allowing the government to leverage its position as a large rough diamond producer. However, it also ensures that the government of Botswana is constrained to adopt policy and regulation that benefits De Beers while being structurally dependent on the revenue from De Beers. For example, the establishment of the Financial Services Centre, a secrecy jurisdiction instrument, allows De Beers' global operations, and other non-national account holders from neighbouring countries to avoid paying tax (Bracking and Sharife, 2014). De Beers 'strategic philanthropy' must be considered in the context of a company which already adopts 'tax planning' strategies which artificially reduce the tax revenues paid to African governments as a compensation for the permanent extraction of minerals.

A 2009a Bench Marks Foundation study revealed that the Debswana partnership does not deliver effective CSR to communities impacted on by De Beers' mining interests. The study shows that corporate social investment spending by Debswana "pales into insignificance" when compared with its annual turnover – a calculation carried out for 2007 puts it at 0.05% of total revenue (p. 44). Furthermore various projects under the social investment line item facilitated mining operations rather than communities – these include road infrastructure development (p. 45). The study argues that the Botswana government's 'marriage' to De Beers is at the expense of communities, human rights, the environment and sustainable local economic development. Mining towns such as Orapa are out of bounds to the general public – outsiders wishing to visit need to obtain permission from Debswana. These 'closed communities' live in houses owned by the corporation and all aspects of their lives are managed by the corporation. Orapa is divided into various zones with the township or residential area zoned 'white' (lower security), the corporation offices zoned 'blue' (or medium security) and the mine operational area zoned 'red' (of highest security) (p. 37). There is therefore a sense of 'militarisation' of mining interests and a serious contradiction to Botswana's 'liberal democracy'. The study also contends that Debswana's retrenchment of 461 striking miners in 2004 signals its readyness to exploit the fact that workers in Botswana have limited striking rights (p. 61). The miners lost their appeal when the court upheld their strike to be illegal (Piet, 2009). Focusing on energy and water consumption, the study contends that there are shortcomings in environmental codes and standards and that Debswana lacks an independent environmental monitoring system (p. 54) and has failed to involve communities in its environmental impact assessments (p. 47).

De Beers claims to respond to community needs through 'strategic philanthropy' via 'dedicated social investment vehicles', such as the De Beers Fund in South Africa. This fund is administered by Tshikululu Investments which provides "private sector entities with a one-stop service to undertake comprehensive social investment and community grant making in line with development trends" (Tshikululu website: http://www.tshikululu.org.za/). It is difficult to assess the impact of De Beers' 'strategic philanthropy' however, given its lack of a clear definition and the fact that it has been, to an extent, outsourced to a management firm. We are assured however that De Beers' community investment strategy "looks beyond narrow philanthropic spending to focus on delivering long-term socioeconomic benefits for local communities" (De Beers Report to Society, 2012: 50). Insight to this claim may be drawn directly from community perspectives. A 2009b Bench Marks Foundation study on CSR relating to development goals in South Africa surveyed community perceptions of CSR performance of the diamond mining industry (with a focus on De Beers, Trans Hex and Alexcor) and revealed low scores all around. The percentage scores for health, housing / infrastructure and sustainable development were 41.4 per cent, 42.4 per cent and 36.6 per cent respectively. A total average CSR score of 37 per cent suggests that the promise of socioeconomic benefits is far from being realised. (Van Wyk et al, 2009b: 48). The report concluded that:

"After almost a hundred years of diamond mining... communities have little to show in terms of community development, infrastructural development or an existence much above that of a subsistence level. Sound relationships and cooperation between the different stakeholders (mining companies, civil society, government and communities) are essential for the sustainability of the mining sector... where human rights often take second place to profitability; whilst CSR often only remains a part of a glossy corporate annual report with little bearing to the reality on the ground" (Van Wyk et al, 2009b: vii).

This peripheral contribution of CSR is particularly unjust given the tax avoidance strategies adopted and the scale of profits enjoyed by De Beers' beneficial owners globally. It is also striking in the context of the reputational benefit and expansion of consumer demand which occur as a consequence of De Beers' presentation of itself as a 'good giver'.

This example gives voice to the proverbial elephant in the room when considering philanthropic practice in the resource extraction sector – "should it matter how the money is made?"

- Beyond the rhetoric, how is CSR viewed by companies that practise it? As a form of business ethics or in line with understandings of genuine philanthropy?
- How does this impact on forms of philanthropic practice?
- Does philanthropy have a role to play in bringing resource extraction companies to account?
- Can this role be incorporated into mainstream philanthropic practice such as foundations and CSR?

Further to the question "should it matter how the money is made?" is the related "could corporate practice be genuinely reconcilable with philanthropic practice?" Patrick Bond has shown how South African platinum mine, Lonmin, operates through a corporate-state-labour sweetheart deal where profits are paramount, provincial and district level (Rustenburg, North West province) governance structures corruptible and trade unions (particularly the National Union of Mineworkers – NUM) co-opted (Bond, 2012). Despite the fact that Lonmin is featured on the World Bank's website as the leading example of International Finance Corporation 'strategic community investment', Bond argues that its approach to community needs are purely 'tokenistic' (Bond, 2012: 5). This view is substantiated by a 2012 Bench Marks Foundation study of the Bojanala Platinum district municipality in Rustenburg (where Marikana is located). The study found that despite the district being the location of some of the richest platinum mines in the world, it has high levels of unemployment, water and sanitation service backlogs (with many households still using the bucket system) and as much as 41 per cent of households within the Rustenburg local municipality still residing in informal dwellings (informal settlements and backyards). Access to education and health is likewise problematic. A later (2013) Benchmarks Foundation Study argued that Lonmin repeatedly provides five-year plans for housing projects but fails to deliver. It built 1,149 houses in 1999 but none since despite committing to 6,000 by 2011 (p. 19). It also attempted to sell houses to employees who refused to buy them and the reasons for this are probably to do with affordability and the fact that many workers are resident in the area only for employment purposes and would rather purchase homes elsewhere (p. 20). Its commitment to eliminate single-sex hostel living has likewise not been met. In this vein, commitments under the mining charter have remained unfulfilled.

Between 2003 and 2007 most of the company's 'social capital' spending was invested in the Lonmin Community Trust Fund which was closed down in 2007 (Bench Marks Foundation Media Statement, 15 October 2013). The Lonmin Trust set up a hydroponic agricultural project in 2005 in partnership with a South African company Gili Kubbutzah, who owned twenty six per cent of the shares in the company. The project employed thirty two local community members and community members were promised that ownership of the project would eventually be passed on to them. This did not transpire and instead reports of embezzlement surfaced and the project was taken over by another South African company, Bambani, which ceased paying workers' wages, leading to the project and the farm being abandoned and eventually shut down in 2008 (Community Monitors Action Network, 17 November 2012). The 2012 Benchmarks Foundation report recommended that mining operations in the area formulate their CSR initiatives to contribute meaningfully to the social, economic and environmental sustainability of the area while seeking community consent for any developments and accepting their right to refuse (Van Wyk, 2012: 41). These recommendations have however never been put to use and the 2013 Bench Marks Foundation study found contradictions in Lonmin's social spending logged as 'social capital' and part of their obligations in obtaining mining rights. The report notes:

"In short, the "Social Capital" reporting consistently presents figures of around 1% of pre-tax profits or more, which is the company's commitment. But when we look at the details of the spending on all items we understand to belong under "Social Capital" – community and Social Labour Plan projects – we consistently find amounts very significantly lower than the global "Social Capital" amounts. This gross overstatement of Lonmin's "Social Capital" accounting makes it difficult to estimate its actual spending on projects which benefit the community" (Capel, 2013: 16).

Lonmin's attitude to workers has also been brought into question. There is very little transparency and accountability in respect of wages, contract labour and labour broking. Furthermore Lonmin showed a tendency towards successive cuts in average pay increases (Capel, 2013: 10). Inventive use of accounting is also regularly used by mining companies to falsely inflate the taxes they claim to contribute, particularly in respect of adding workers' PAYE contributions to the tax generated by 'the company' (Bracking and Ganho, 2011).

In cases where resource extraction companies are blatantly committed solely to the single bottom line (profit) at the expense of development commitments, communities and labour:

- How would spaces for philanthropy be created?
- How would existing philanthropic practices (e.g. CSR) be strengthened and maintained?
- Are there ways for current resource governance initiatives to take closer cognisance of CSR? For example the 'social payments' category of EITI. So the focus would move beyond transparency and accountability to include impact. (The EITI's category 'social payments' appears under revenue streams and includes payments to governments and / or third parties based on contractual obligations, payments to third parties arising out of constitutional, legislative or regulatory requirements and voluntary donations or charitable contributions [p. 53]. The EITI however only 'encourages' that these payments be disclosed – it does not make the disclosure mandatory [p. 53].)

Philanthropy: Potential and Challenges

The examples above provide some insight as to the scope of philanthropic activity in the resource extraction industry in Africa but more research is required to fully understand its potential and its challenges. In 2013, the chairman of South African mining group, African Rainbow Minerals (ARM), Patrice Motsepe, announced that he would be giving away half his fortune (estimated at US$2.65 billion) to philanthropic efforts through the Motsepe Foundation. This gesture seemed to be in response to the Bill Gates and Warren Buffet 'Giving Pledge' encouraging billionaires to give away their fortunes (Hlongwane, 2013). This marks a significant commitment to philanthropy but does it signal a shift in philanthropic thinking? ARM itself has been associated with the displacement of communities in areas where it mines as well as failures to deliver on promises to communities affected by its mining interests (Wild and Cohen, 2013). Will the pledge have any impact on broadening the focus on profit-orientated practice in the resource extraction sector to include genuine philanthropic practice? And, will it encourage auto-critique or governance measures to enable resource extraction companies to bring corporate practice in line with 'loving humanity' more than 'loving profits'?

Before considering the potential of philanthropy in resource governance a number of disclaimers are necessary. Firstly, philanthropic activity can by no means displace the role of the state. Secondly, normative critiques of philanthropy versus the state apply. These include considerations that applying tax incentives to philanthropic activity effectively reduces government revenue and that philanthropies lack the accountability measures inherent in the democratic state such as elections, public participation processes, policy making, implementation and monitoring mechanisms. This notwithstanding, philanthropy's role in resource governance has distinct potential with regard to the actual philanthropic initiatives undertaken and their potential to impact on social justice and development.

There are existing examples of interesting philanthropic initiatives in the resource extraction industry. The challenge however remains with their execution and monitoring. A South African example already cited ARM has begun one such initiative (as part of its CSR) in Modikwa village in the North West province (Wild and Cohen, 2013). The initiative offered villagers an 8.5 percent share in the Modikwa mine. It set up companies that supply waste removal, gardening and maintenance services to the mine which are effectively owned and run by the Modikwa community and claims to have spent R110 million on community development projects. The mine also recruits 78 per cent of its workforce from Modikwa stating that it has to date (2013) spent R4.2 billion in wages. On closer inspection however, it transpires that while ARM has paid off its own debt through income from Modikwa, only about half the villagers' debt has been repaid – the 80,000 community members collectively still owe R158 million on their share. Community members also claim that various development commitments undertaken by ARM have not materialised. These include the building of houses, roads and school facilities. Furthermore the community-run companies (waste removal, gardening and maintenance services) are all running at a loss. The ARM initiative also reveals an undercurrent of local political tension with regard to resources and access to resources. Members of the committee set up to run the community interests under the initiative revealed that: "It's difficult to keep some individuals happy because they want to benefit personally and the mine can't provide for all community members" and, "The representatives (of the community committee) don't share the information with the villagers" (Wild and Cohen, 2013). Committee representatives also argue that development has been uneven with those who "have links to local leaders" or "personal contacts with companies (including the mine)" living in sturdy homes while the rest live in cobbled-together dwellings. An interesting development however has been the formulation of the community committee following a call by villagers to pressure ARM into managing community affairs more transparently. The committee further flags grievances such as the mine reducing cattle grazing spaces and mine blasting collapsing boreholes. The committee is known as 'Section 21' and in October of 2013 led 400 community members to the ARM offices in Sandton, Johannesburg to hand over a memorandum of grievances for unfulfilled development promises (Mokhema, 2013).

Examples such as the ARM initiative reveal a number of challenges for philanthropic practice in the resource extraction sector and indicate that more rigorous research is required to understand both the context and the nature of current initiatives. What is clear, however, is that there are various weaknesses in the execution and monitoring of current philanthropic activity and vast scope for community agency. This suggests more innovative philanthropic interventions are required and that they require closer monitoring for sustainability and replicability.

Recommendations

In terms of executing philanthropic initiatives:

- Philanthropic initiatives to further 'local economic development' should consider supporting existing horizontal networks of giving and mutual solidarity schemes. This would avoid replicating uneven power relations prevalent in vertical systems. It would also ensure more genuine community ownership and management of philanthropic resources. It would further test emerging notions of possibilities for vertical forms of philanthropy meeting horizontal forms of philanthropy (Moyo, 2011:7).
- Philanthropic initiatives should be required to uphold principles of social justice philanthropy. These would include supporting existing civil society organisations, networks and movements which: focus on the root causes of social problems; commit to structural or systemic change; adopt broad-based action and networking for social change; build local leadership and capacity development; entrench open and democratic participation and ensure participants are inclusive and reflect existing diversity (Faber and McCarthy, 2005: 10). Clearly this would pose a significant challenge to CSR initiatives emanating from companies that are committed to ensuring the status quo in so far as it benefits the bottom line. It would however go some way to levelling the playing field in that it would provide resources for social justice and build the capacity for human agency. It would also begin to create a space for the resource extraction sector to genuinely examine its impact on the local socio-political landscape.

In terms of monitoring, transparency and accountability:

- Various CSR initiatives display (even if tokenistic) commitments to upholding various principles of business ethics, in South

Africa for example, with regard to the Mining Charter, the Mineral and Petroleum Resources Development Act, the Department of Trade and Industry Codes of Good Practice, Broad Based Black Economic Empowerment (BBBEE) and King III principles. But there is far less commitment to upholding promises made to affected communities (even in so far as engaging meaningfully with them in a sustained manner). Once again this is likely motivated by the fact that there is less of a financial pay-off for doing so. Philanthropic initiatives should therefore be obliged to allocate resources towards formulating and sustaining working community committees to establish recourse standards among the community, corporates and local government structures – these could be streamlined into formal local participation mechanisms.
- Similarly this would apply in cases where national CSR standards make socioeconomic development initiatives mandatory (for example BBBEE in South Africa).
- In the same vein, global transparency and accountability initiatives could widen their scope around 'social payments' for example, to examine substantive outcomes of these payments through the lens of affected communities by creating mechanisms to hear community voices (bearing in mind that civil society organisations do not always speak for communities).

References

Africa Mining Vision. African Union, February 2009.
Anheier, H and Leat, D. 2007. Creative philanthropy. London: Routledge.
Baker, R. 2007. The ugliest chapter in global economic affairs since slavery. Illicit financial flows: The missing link in development. Global Financial Integrity Report. Centre for International Policy.
Banerjee, S. 2008. Corporate social responsibility: The good, the bad and the ugly. Critical Sociology, 34(1), 51-79.
Bond, P. 2012. South African political economy after Marikana. Centre for Civil Society, University of KwaZulu-Natal, Durban. Available at: http://ccs.ukzn.ac.za/files/Bond%20Marikana%2018%20October%202012.pdf Accessed 15 September 2014.
Bracking, S and Ganho, A. 2011. Investing in private sector development: What are the returns? Manchester University. Norwegian Church Aid Actalliance Report No 2.
Bracking, S. and Sharife, K. 2014. Rough and polished: A case study of the diamond pricing and valuation system. Leverhulme Centre for the Study of Value. Working Paper Series No 4.
Capel, J. (Ed). 2013. Coping with unsustainability. Policy Gap 7 Lonmin 2013-2012, Bench Marks Foundation.
De Beers Report to Society 2010. Available at: http://www.debeersgroup.com/ImageVaultFiles/id_989/cf_5/RTS_10_Full.PDF Accessed 12 September 2014.
De Beers Report to Society 2011. Available at: http://www.google.co.za/url?sa=tandrct=jandq=andesrc=sandfrm=1andsource=webandcd=5andved=0CDMQFjAEandurl=http%3A%2F%2Fwww.angloamerican.com%2F~%2Fmedia%2FFiles%2FA%2FAnglo-American-Plc%2Fdevelopment%2Freports%2Fcsreports%2FDe_Beers_RTS_2011.pdfandei=RjwYVK6FIdSe7Aa0oIHwAwandusg=AFQjCNGf0ArAdQ25_QicvYGkkPsVpDdzWA Accessed 12 September 2014.
De Beers Report to Society 2012. Available at: http://www.google.co.za/url?sa=tandrct=jandq=andesrc=sandfrm=1andsource=webandcd=1andved=0CBwQFjAAandurl=http%3A%2F%2Fwww.debeersgroup.com%2FDocuments%2F4.0%2520Sustainability%2F4.7%2520Sustainability%2520Library%2FDeBeers_RTS_2012.pdfandei=QUQYVNCrFdSg7AbMj4CABQandusg=AFQjCNEcAQvVchbWybIjO8pjmBkVKjhIZAandbvm=bv.75097201,d.ZGU Accessed 12 September 2014.
Blowfield, M. Frynas, J, G. 2005. Setting new agendas: critical perspectives on Social Corporate Responsibility in the developing world. International Affairs, 81(3), 499-513.
Edwards, M. 2008, Just Another Emperor? The Myths and Realities of Philanthrocapitalism, Demos, A Network for Ideas and Action, The Young Foundation.
Faber, D, R. McCarthy, D. 2005. Foundations for social change; Critical perspectives on philanthropy and popular movements in Faber, D, R. McCarthy, D. (Eds). Foundations for social change; Critical perspectives on philanthropy and popular movements. Rowman & Littlefield: Maryland.
Failed CSR Projects by Lonmin and Aquarius. Community Monitors Action Network, 17 November 2012. Available at: http://communitymonitors.net/indexcommnet.php/?p=1187 Accessed 15 September 2014.
Frumkin, P. 2006. Strategic giving: the art and science of philanthropy. Chicago: University of Chicago Press.
Graham, Y. 2013. Governance for development in Africa: Mineral resources governance. Presentation for Third World Network Africa. SOAS-CDD Workshop, Accra, Ghana, 7 May. Available at: http://www.google.co.za/url?sa=t&rct=j&q=&esrc=s&frm=1&source=web&cd=3&ved=0CCgQFjAC&url=http%3A%2F%2Fwww.governanceinafrica.org%2Fassets%2Fgovernance-for-development-addis.pptx&ei=z7ZkVM7ZEcfdap7WgtgO&usg=AFQjCNGeUmMvvBB3ymR6ASSdQ_euwlt4ng Accessed 12 November 2014.
Hlongwane, S. 2013. Gates, Buffet, can you hear me? Motsepe gives away half of family fortune. Daily Maverick, 31 January. Available at: http://www.dailymaverick.co.za/article/2013-01-31-gates-buffett-can-you-hear-me-patrice-motsepe-gives-away-half-of-family-fortune/ Accessed 15 October 2014.
Hunsaker, J. Hanzl, B. 2003. Understanding social justice philanthropy. Washington: National Committee for Responsive Philanthropy.
Idemudia, U. 2009. Oil extraction and poverty reduction in the Niger Delta: A critical examination of partnership initiatives. Journal of Business Ethics, 90, 91-116.
Illicit financial flows from Africa; Scale and development challenges. Background Paper High Level Panel on Illicit Financial Flows. United Nations Economic Commission for Africa. October 2012.

Jenkins, C, J. Halcli, A. 1999. Grassrooting the system? The development and impact of social movement philanthropy, 1953-1990 in Condliffe Lagemann, E. (Ed). Philanthropic foundations: New scholarship, new possibilities. Bloomington: Indiana University Press.
Kimberley Process Certification Scheme. Available at: http://www.kimberleyprocess.com/en/kpcs-core-document Accessed 10 September 2014.
Kuljian, C. 2005. Philanthropy and equity: The case of South Africa. Global Equity Initiative. Harvard University.
Least Developed Countries Report: The state and development governance. 2009. United Nations: Geneva.
Mati, J. (Forthcoming 2015). Omnipresent yet invisible: Notes from a literature review on African philanthropy in Mottiar, S and Ngcoya, M. (Eds). Variations of philanthropy in South Africa: Social justice, horizontality and Ubuntu. HSRC Press.
Mejia-Acosta, A. 2010. Review of impact and effectiveness of transparency and accountability initiatives: Natural Resource Governance. Institute of Development Studies.
Mokhema, M. 2013. Angry mob takes to Motsepe's offices. Sunday World, 20 October. Available at: http://www.sundayworld.co.za/news/2013/10/20/angry-mob-takes-to-motsepe-s-offices Accessed 17 November 2014.
Mottiar, S. 2011. Post-apartheid foundations and possibilities for social justice philanthropy. Giving: Thematic Issues on Philanthropy and Social Innovation, Series 2, Bononia University Press, 9-24.
Mottiar, S. 2013. Philanthropy as an agent of transformation. African Business 397. May 2013.
Moyo, B. 2011. The future of philanthropy and development in the pursuit of human wellbeing. Transformative Innovations in African Philanthropy: Bellagio Initiative.
Mukherjee-Reed, A. Reed, D. 2004. Corporate Social Responsibility and human development: Towards a new agenda and beyond. International Secretariat for Human Development, Toronto.
Munshi, D. Kurian, P. 2007. The case of the subaltern public: A postcolonial investigation of Corporate Social Responsibility (o) missions in May, S. Cheny, G. Roper, J. (Eds). The debate over Corporate Social Responsibility. Oxford: Oxford University Press. 438-447.
Natural Resource Governance Index. Available at: http://www.resourcegovernance.org/rgi/report Accessed 10 September 2014.
Ngcoya, M and Mottiar, S (Forthcoming 2015). Understanding horizontal philanthropy in Mottiar, S and Ngcoya, M. (Eds). Variations of philanthropy in South Africa: Social justice, horizontality and Ubuntu. HSRC Press.
Piet, B. 2009 'Fired miners deposit all eggs in Appeal Court'. Mmegionline, 26 (11). 26 January Available at: http://www.mmegi.bw/index.php?sid=31&aid=19&dir=2009/January/Thursday22 Accessed on 15 October 2014.
Prieto-Carron, M, Lund-Thomsen, P, Chan, A, Muro, A, Bhushan, C. 2006. Critical perspectives on CSR and development: what we know, what we don't know and what we need to know. International Affairs, 82(5), 977-987.
Publish What You Pay Vision 20/20. Available at: http://extractingthetruth.org/vision2020.html Accessed 10 September 2014.
Ravat, A. Kannan, S, P. (Eds). (Undated). Implementing EITI for impact: a handbook for policymakers and stakeholders. Available at: http://eiti.org/files/Implementing%20EITI%20for%20Impact_Handbook%20for%20Policy%20Makers%20and%20Stakeholders.pdf Accessed 10 September 2014.
Rexler, J. 2010. Beyond the oil curse: Shell, state power and environmental regulation in the Niger Delta. Stanford Journal of International Relations, Vol XII No 1.
Shaw, A. 2002. Social justice philanthropy: An overview. New York: The Synergos Institute.
Study claims Lonmin not contributing enough to 'social capital'. Bench Marks Foundation Media Statement, 15 October 2013.
Tshikululu website. Available at: http://www.tshikululu.org.za/ Accessed 17 September 2014.
Van Wyk, D. 2009a. Corporate Social Responsibility in the diamond mining industry in Botswana. Policy Gap 5, SADC Research Report, Bench Marks Foundation.
Van Wyk, D. Cronje, F. Van Wyk, J. (Eds). 2009b. Corporate Social Responsibility in the diamond mining industry on the west coast of South Africa. Policy Gap 4 SADC Research Report, Bench Marks Foundation.
Van Wyk, D. (Eds). 2012. A review of platinum mining in the Bajonela district of the North West province. Policy Gap 6 Communities in the Platinum Minefields, Bench Marks Foundation.
Wild, F. Cohen, M. 2013. Waiting for the rainbow: Villagers lament Motsepe's empty promises. Mail and Guardian, 24 July. Available at: http://mg.co.za/article/2013-07-24-african-rainbow-minerals-and-patrice-motsepes-un-met-promises Accessed 17 November 2014.
Wilkinson Maposa, S. Fowler, A. Oliver Evans, C. Mulenga, C, F, N. 2005. The poor philanthropist: How and why the poor help each other, University of Cape Town Graduate School of Business, Cape Town.

Visit **www.southernafricatrust.org** to download all the papers in this series.

Southern Africa Trust
Influencing Policies To End Poverty

TRUSTAFRICA

BILL & MELINDA GATES foundation