

# The problem with “transparency”

## Moral contests and ethical possibilities in mining impact reporting

*Sally Babidge*

---

*Abstract:* Subterranean waters in the mineral-rich and water-poor Atacama desert, northern Chile, are subject to contest between resource-extracting companies and mostly indigenous residents. In complying with global Corporate Social Responsibility standards and local agreements, and in an effort to reduce opposition from indigenous groups, some mining companies have begun to undertake “transparency” reporting regarding the impact of their subterranean water extraction activities. These engagements present a moral interface between two streams of global discourse: the CSR principle of “transparency” on impacts of water extraction and the rights of indigenous peoples to “native waters.” An ethnographic study of a set of such engagements shows indigenous community rejection of the truths that transparency purports to reveal. However, the apparent intractability of moral contest in such globally comparative and locally specific contexts in terms of distrust of the mining companies is tempered by a proposition for the ethics of engagement.

*Keywords:* Chile, Corporate Social Responsibility (CSR), Chile, ethics, ethnography, indigenous peoples, morality

Mining and associated industry drives the economic activity of most of the population in Region II of Chile and requires great quantities of water. In some areas, such as those close to the infamous copper mine Chuquicamata, significant environmental damage has been done over many years. There and in other areas of the far north, the extraction of large quantities of water in the production of copper and other minerals has affected rivers and aquifers, and the release of toxic substances into the air, land, and ground water has threatened the existence of agricultural villages (Camacho 2012). In the

last few years, changes to Chilean laws that require that environmental assessments and community consultation occur before developments are approved indicate a movement toward environmental impact mitigation by corporations and the state. Corporate Social Responsibility (CSR) policy brochures produced by mining companies publicize mitigation or “sustainable” activities and community investment programs, and in the case of global operators, corporate policy has anticipated or preceded government legislation. In the case where national legislation aiming to regulate mining developments and



resource exploitation has been neither robustly applied nor vigilantly monitored (Bauer 2004), when companies *have* initiated environmental mitigation plans or engaged in consultation with affected social groups, such actions are lustered with voluntariness. The community liaison officer of a transnational miner said (during an interview in 2011) that his company employed social and environmental impact practices “much more responsible than the law dictates” (see also Ojeda 2000). Company reporting on the environmental and social impacts of mining activities may by its very existence be thus projected as a “moral good,” an open gesture of asserted high moral value (Barry 2013: 77; Duarte 2011: 108; Rajak 2011b: 18–19; Yakovleva 2005).

Given the extent of extraction and impact by the mining industry generally in northern Chile and in many other locations throughout Latin America and the world, such assertions might be dismissed as corporate propaganda. This is especially the case when set against moral values such as human rights to clean water and indigenous rights to traditional waters that sustain lifeways and which are otherwise affected by mining activity. However, where economic and other benefits from mining are anticipated by indigenous and other citizen groups, the notion that mining is simply about impact and damage ignores the ethical complexity of relationships formed in these social fields. Anthropologists and others have begun to develop nuanced critiques of mining company-community relationships and economic development in what are properly understood as globally comparative contexts (for example, Barry 2013; Rajak 2011a; Welker 2014). Ethnographic material collected from the observation of meetings and other engagements in northern Chile between an indigenous community (Peine, Region II) and mining company representatives (primarily Minera Escondida Ltda., MEL, operated by BHP Billiton) contributes to these analyses.<sup>1</sup> Research (2010–2013) has included observation of annual environmental reporting processes, which are part of the negotiated contract

between MEL and the Indigenous Community of Peine in whose claimed traditional territory MEL operates.<sup>2</sup>

Reporting to or consulting with an affected community is an activity central to globalized neoliberal practices of corporate-led development, and the meetings that such activities presage are significant activities in the lives of people who have been identified as “the impacted community.” These events are an appropriate locus for engaging in a critique of the global “moral mechanisms” (Rajak 2011a) embedded in CSR. In analyzing an aspect of CSR activities undertaken by a mining company under the aegis of transparency, I demonstrate that in the dealings that company representatives have with an affected community the “masquerade of impersonal market relations,” as others have characterized CSR (Rajak 2011a: 238), is not maintained. The *language* of an economic relationship stripped of politics characterizes activities analyzed here in the guise of transparency, but there are practical attempts by all parties to forge new kinds of relationships judged as ethical in the interests of development. I provide here a close reading of company-community engagements as local assemblages of the global discourses of indigenous rights and global corporate morality of transparency and provide a critique informed by theoretical work in the anthropology of ethics.

### **Transparency: Global morality and the gift of “truth”**

“Transparency” has become a trope of global CSR for the mining industry, whether part of the International Organization for Standardization (ISO) compliance instrument, the Global Reporting Initiative, the United Nations Global Compact, “Triple Bottom Line” reporting, or the many other “social accounting” or “audit” techniques created by global business in concert with governments and civil society. The discourse of company transparency is thus central to the moral framework of engagements

between corporate actors and communities. For example, the Extractive Industries Transparency Initiative (EITI) is an international coalition of global companies, national governments, and civil society groups “working together to improve openness and accountable management of revenues from natural resources” (Extractive Industries Transparency Initiative 2013). BHP Billiton’s recent statement of “performance requirements” for working with Indigenous Communities outlines six areas of requirement for the company’s many different in-country operations (BHP Billiton 2014). These seek to regularly (from annually to every five years) analyze community relations indicators and environmental and social impact on indigenous peoples who are cast as “hosts” and are subject to baseline studies and other forms of analysis. Such CSR instruments—social accounting, community development investment, and transparency reporting—establish principles of “good business” and are used to make the claim of corporations acting as “agents of world benefit” (Maak and Pless 2009). These forms of audit are thus part of the project of “ever-expanding standardization” discernible in global capitalism (Ferguson 2005) in that the measures of fact and accounting assert that company activity is best made visible and internationally comparable (see also Li 2011). In functional terms, such processes also have been understood as enterprising attempts at incorporating local communities “on the margins” into the “universal rationality of good business practice” (Rajak 2011a: 17). In doing so, CSR activities seek to maintain low levels of resistance to corporate proposals (Rajak 2011a; Welker 2009). As widely reported, affected communities and citizen groups nonetheless continue to be suspicious of being under- or uninformed, expressing doubt about the extent to which the powerful really might reveal their secrets.<sup>3</sup>

Following Marilyn Strathern (2000), studies of institutional forms and governance in contemporary global capitalism have noted the flourishing of measures relating to transparency and especially the play of visibility and invisibil-

ity in instruments of audit and accountability. Concerns with translocal legibility and universal administrative acceptability and the focus on rational economic behavior linked to audit have created an ethic of the visible, the transparent, as the highest standard of governance (Garsten and Lindh de Montoya 2008; Peck and Ticknell 2002). However, the universal rationality and logic in the discourse of transparency are broadly contested. Todd Sanders and Harry West (2003) and other contributors to their volume, find that people’s “suspicions challenge and disrupt the flow of the global discourse of transparency ... [and] assert—contra transparency claims—that power is inherently ambivalent and that it operates in ambiguous ways” (2003: 11–12). Similarly, Christina Garsten and Kerstin Jacobsson (2011) call transparency a “technology of mistrust.”

Reporting may be understood as a “gift of truth,” the giving of scientific and technological information, presented as nonpolitical or as having the characteristics of the “anti-political” (Barry 2013: 75; Garsten and Jacobsson 2011). The gift is an invitation to forge ethical relationships that bind a community, even short term, to the idea of company accountability. It is the latter, a level of corporate actors’ recognition of the importance of creating relationships, that may break the circularity of light and shadow, visibility and invisibility, trust and mistrust in discussions of transparency. Andrew Barry (2013), for example, in his examination of revenue transparency and oil extraction, argues that transparency is characterized by “progressiveness,” since the activities create a “society of witnesses” with particular conditions of truth (2013: 72). Nonetheless, while “progressive” there remains a lack of trust in scientific reporting by companies, which as Leah Horowitz (2010) has shown, is contingent on people’s sense of the nature and dynamics of the social relationships involved, and less on the delivery or content of the information reported.<sup>4</sup> For Michael Lambek (2011), attention to the ethical is about attending to the practice and performance of relations between people rather

than depending on moral codes that designate proper action. Thinking of how people might consider “ethics as a function of action” means, therefore, embedding a sense of ethics in specific acts (performance) and action and judgment more generally (practice). While reporting as “transparency” is explicitly about the revelation of truth in documents and materials, in the ethnographic context there is a concern about relationships and ethics which depend on the actions of particular actors.

The broader research project of which this article is a part analyzes engagements among indigenous peoples and communities of the Atacama and mining companies that operate in this region, with a particular focus on the ethical dimensions of these relationships. While CSR has brought a new type of relationship through mining company reporting to predominantly rural communities in northern Chile, patronage of indigenous communities by wealthy individuals associated with regional mining operations has a deeper history. Young indigenous men have left their natal villages to work in regional copper mines since the 1960s (and in a few cases, well before this). For example, CODELCO (Chile’s national copper company, which operated Chuquicamata) for many years had a program whereby individual employees would act as “patron” to indigenous families, sending Christmas presents each year and contributing to scholarships for children’s study. Relatively wealthy individuals from other mining companies have also had long-standing ties of patronage with the rural communities of the Atacama. For some in these communities, new forms of relations with companies have potential for social and economic development through financial ties. Despite interest in such relationships, the community leaders with whom I have spoken remain skeptical of company scientific and environmental reporting. The study offers particular insights into the attempt by MEL to build a relationship with a “host community” through transparency activities.

## Indigenous waters and extractive activities

After many years of extraction of water by mining interests, the Indigenous Community of Peine (Comunidad Indígena de Peine, henceforth Peine) in the Antofagasta region, northern Chile, was the first Atacameño group from around the Atacama Saltpan to sign a legal contract (*un convenio*) involving a multinational mining company and financial or “development” benefits to the community.<sup>5</sup> According to members of the community I spoke to, it was they who sought contact with the company to request support for local development projects. In 1997, the first of the contracts was signed by the (then) president of the community and the general manager of Fundación Minera Escondida (FME), the social investment foundation established in 1996, associated with the copper company MEL. While FME operates in the broader region to finance a suite of social investment programs associated with the CSR policies of MEL, the mining company pays particular attention to relationships with communities geographically located at the two ends of their regional operations: Coloso, a fishing town where MEL has a port and is (at the time of writing) constructing a desalination plant, and Peine, the indigenous community that claims ancestral rights to the territory in which MEL owns extractive rights (under Chile’s Water Code, 1981) amounting to thousands of liters of water per second for its copper processing.<sup>6</sup>

The *convenio* means that unlike neighboring Atacameño communities, Peine receives yearly financial remuneration, an annual report delivered on the environmental impact of water extractive activities, and other “development benefits” as part of the CSR package. Although neighboring Atacameño communities understand their way of life and environment to be affected by mining operations, lack of direct environmental impact means they are unable to engage the company in the same way as Peine. Other extraction companies (principally copper

and lithium) operate around the Salar de Atacama and the region as a whole and engage in various forms of social investment. However MEL, principally through FME, was the first to establish a formal corporate engagement with an indigenous community in terms of a *convenio* that is explicit about financing community development.<sup>7</sup>

The contract between MEL and the community of Peine symbolizes a level of recognition by the mining company of Atacameño water rights and territorial claims and at a symbolic level is consistent with company claims about socially responsible and sustainable extraction. Around the Atacama Saltpan traditional pastoral areas are home to native species of flora and fauna and are fed by the same underground waters essential to the survival of agricultural life in indigenous villages such as Peine (see Castro and Romo 2006; Villagrán and Castro 1997). Since the 1990s, legal protection for waters located on the surface of some areas of recognized indigenous territory have been protected under environmental legislation (Law 19.300 of 1994) and are protected under the Indigenous Law (*Ley Indígena* 19.253 of 1993) (Ministerio de Justicia Republica de Chile 2008). Indigenous waters are understood to have a kind of intrinsic or absolute value to indigenous peoples connected with them (Castro and Aldunate 2003; Gelles 2002), the kind of value embodied in the explanation given to me by an Atacameño woman in Peine: “Water is not a thing. People should not sell water.” As a moral statement, this assertion may be considered parallel to legal recognition, with significant importance for claiming rights to “native waters” (Barros 2011). The moral position regarding traditional waters does not fully explain the practical position that Atacameños take in terms of the place of water in seeking a contemporary livelihood in the desert; they are engaged in local forms of water markets as well as in social and cultural practice that fits the notion of traditional values (Babidge 2015). Notwithstanding this complexity of value for water, ownership of “native waters,” or indigenous rights to water based on customary prac-

tice, allows for certain claims to resources as made in engagements with extractors (Sawyer 2004). I turn now to describe two examples of such engagements.

### **The gift of transparency: The event of annual reporting**

In 2011 and in 2012, I observed annual environmental reporting processes that were part of the negotiated *convenio* between MEL and Peine. Those from the company charged with reporting to the assembly of adult community members of Peine or having meetings with leaders were the head of company-community relations (a lawyer by training), a geohydrologist, an environmental scientist, the community relations officer (a sociologist) and others of the MEL/BHP Billiton environmental and social performance team. Around 25 community members were present at both meetings, with a few more men than women. Presentations to the community meeting during the course of two to three hours included tables and data with recent dates and measurements, presented in the intricate detail of scientific modeling and the language of environmental accounting, going back to about the beginning of extractive activities. On both occasions, scientists employed by the company graphically and verbally demonstrated their project to create a hydrogeological model that would, they argued, predict the behavior of one of the key watersheds in the region where they and other mining companies extract water. In the second of the two meetings I attended (2012), an environmental engineer spoke about a system of “telemetric devices” that, he stated, would provide more accurate data on water levels below and flowing to the saltpan. In broader perspective, the subject of both meetings was the company’s demonstration through presenting such information that they were conforming to the *Plan de Alerta Temprana* (Early Warning Plan, or PAT). The PAT was instituted in the agreement with the community partly as the result of deleterious impacts of earlier water

extraction activities on another salt pan in the traditional territory of Peine (the Salar de Punta Negra).<sup>8</sup>

In both meetings the biologist’s presentation of flamingo habitat regeneration in the Salar de Punta Negra was a focus of both scientists and the community. Due to previous impact from high levels of extraction, MEL must create surrogate flows of water to the salar to regenerate the breeding habitat of two protected species of flamingo (whose eggs and feathers are also of traditional cultural significance to people in Peine) (Contreras and Greene 1998; Larraín 1993: 38).<sup>9</sup> In the first of the two annual meetings I attended and during the presentation of data about flamingo habitat, Ambrosio commented loudly that images shown by a MEL biologist contained photographs that were three years old: “these are the same old photos!” he called out.<sup>10</sup> Three other people stood and vocally rejected the authenticity of the material that was being presented; they asked (I paraphrase), “how could we believe what the so-called experts were saying in these annual reports if they showed old photographs everyone had seen before?”<sup>11</sup> In the meeting I attended the following year, Javier proclaimed that he couldn’t see how the company could be allowed to continue to extract water when there had already been so much environmental damage to the Salar de Punta Negra. When I sought clarification with Javier following the meeting, he told me that he objected because his mother and father and their parents had taken their herds to this location for pasturing and to collect eggs of the native flamingo. MEL had destroyed this place, Javier insisted, and yet they were allowed to continue to extract water.

In the second of the two annual meetings I attended, the company team handed out paper copies of the environmental scientists’ PowerPoint slides, containing charts and other graphic measurements of volume, level, and flow of water in the watershed and fauna native to the southern end of the Salar de Atacama. Community relations team members noted as they handed them out that they hoped having such

hard copies would help people follow the presentation. Apart from high-definition photographs of the native animals, in response to which older women cooed or giggled and began to tell stories, many community members around me in the meeting seemed mystified by much of the data, exhibited by such actions as flicking through the hard copies of material, backward and forward, nudging each other quizzically, or simply falling asleep.<sup>12</sup> Throughout these meetings, the manager of the company’s social and environmental team acted as interlocutor, consistently requesting clarification about scientific terms from the presenters. This pantomime of clarification implied that scientists could reveal the truth of measurements, accounting, and information more generally if asked to simplify their information.

In each of the different presentations on potential impact (predominantly animals and water level) scientists repeated the word “stable” (*estable*). The stability and normality of the environmental changes had been calculated according to agreed limits set by government legislation. The levels set by the *Dirección General de Aguas* (DGA, Chilean water authority), were improved on by the company, which reported that it had not ever reached the 25 centimeter reduction in water levels, nor the allowable drop of 6 percent flow rate (DGA 2012: 22). The manager of the community relations team explained during an interview in his offices in Antofagasta: “we have water extraction [registered] in the DGA, authorized. But environmentally, we have an extraction limit. For example, the actual water use can reach 1,800 liters per second, but we have a limit of 1,400 and two conditions that we cannot go beyond during extraction” (interview 2012).

While recurring words such as “estable” underlined the company’s accounting of the minimization of harm, community members seemed unsure of how to deal with the detail. Luis specifically questioned the company representatives about water extraction and challenged the idea that the measurements had any validity, since he said they didn’t take into

account the activities of “all the others” (the copper miners Zaldívar and lithium extractors SQM and Rockwood all extract water from the same area). Luis’s insistent questions in that meeting implicitly challenged the truth value of the information being presented. As interlocutor, the manager of social relations eventually responded by moving to stand between the scientist who was presenting the reports and Luis, placing his body between the questions and the questioner. The manager turned from Luis to the center of the community group and announced that the company’s intention for the future was to improve the process of community reporting.

Another community relations staff member announced from the opposite side of the room that a survey would be handed around, and they would like everyone to comment on how they might put the information together “better” and “more simply.” Luis said that he could tell them simply that the community wanted more than information, since, he asked, “how can we be more confident in this information?” Instead of these reports, he said that they “wanted a new form of participation,” and murmurs of “¡Sí! ¡Sí!” could be heard around the hall. Afterward when I sought Ambrosio’s opinion on the proposed new telemetric devices for measuring water, he said to me: “You know why [I think] they are perforating those things in the Salar? So that MEL can extract lots of water and, and say, ‘It was the other mining companies’ fault.’” That, he noted, is the “real technology” they have, of “blaming others for their impacts.” In regard to the proposed new measuring instruments, another man said, “It might be transparency, but it might be a trap.” In speaking to men and women in the days following these meetings, they expressed varying levels of distrust in the reports. However, the fact that representatives of the mining company were even having meetings with the community and allowing questions and comment was considered an improvement; as Luis said (in response to my question about changes to relations with the company over time), “We *have* a relationship now.”

BHP Billiton, as the operating company of MEL, is a transnational operation, and its local employees have assimilated globally circulating terminology of corporate-led development. In the last three to four years, the team of social relations employees has grown and members of the team have taken part in corporate workshops run in the name of OXFAM (Australia) and others to increase staff capacity and improve corporate “social performance”. Claudio demonstrated proficiency in the language of participatory development and CSR as he told me during an interview: “also I would like to advance the issue of delivering, more than delivering the information, sharing it. That is, a participatory process which is completely understood by the whole community, [including] all of the restrictions that exist ... To make transparent as well the errors and move forward” (interview 2012).

During my fieldwork in December 2013, no annual report meeting had taken place nor, as far as I could work out, was there any scheduled. One morning, MEL employees and social and environmental team representatives were bussed in to undertake some volunteer labor in cleaning up around the school building. At a meal and social occasion after an outing to a cultural heritage site for community leaders, school children, teachers, parents, and MEL staff, I asked the new manager of the social and environmental team when they expected to undertake the annual reporting. He said it seemed to be a waste of time, since community members did not understand the reports. Instead he planned to have workshops in which community members would be taught how (using the verb, *capacitar*) to understand the information the scientists presented. These capacity building workshops, along with more days where MEL employees would volunteer to work in the community, were to be the new approach.

The value of delivering scientific facts in meetings or workshops in order to make transparent the *actual effects* of mining activities on local territory is provisionally accepted by com-

munities through their attendance at (and not outright resistance to) meetings and engagement with company representatives. In Barry’s (2013) terms, the community is the society of witnesses whose role in the process is to challenge both the details of the information and the principal of transparency itself. Company personnel may seek to make the presentation of fact “better” or “clearer” according to new forms of feedback or more convincing science, thereby seeking progress in the process of transparency. Community members challenge the facts that are reported and talk about seeking their own experts or participating in scientific monitoring. Ongoing challenges and a lack of acceptance of “transparency” as possible is demonstrated by people’s previous experience of company personnel behavior, their rejection of the maps and diagrams presented at the meetings to tell them what is going on, and the noisy claims that instead of these performances community members want to be “told the truth.” However, community solutions to the problem of trust occur in parallel with solutions proposed through ever changing corporate practice: both propose to increase participation of community members in the revelation of scientific truth.

### Seeing is (not) believing: Monitoring and (in)visibility

In late 2011, 30 or so men (and 2 women), from a drilling (*sondaje*) company contracted to MEL were staying in Peine, accommodated partly in the Guesthouse and partly in containers converted to living quarters. Community leaders later explained to me that the contractors were drilling bores to assist MEL in determining water flow (quantity and quality) in the southern extreme of the Salar de Atacama, whose source is higher above in the Andean cordillera. Monitoring was part of MEL’s interest in “creating a model of the watershed,” the community was told, so that they might better regulate their extraction activities.<sup>13</sup> However,

the drilling contractors were taking longer than expected, and the community began to have suspicions. Over the months that I spent in Peine in 2011, continual community queries about what the drillers were doing on behalf of MEL resulted in a heated discussion as part of a community meeting, which resulted in pressure on company representatives to allow a group of community leaders on a day trip to the region where the drilling was occurring. The idea was that the leaders could see for themselves and technical staff might explain company activities.

People in the community meeting wanted some questions answered as part of the trip to the monitoring sites. Why was [the *sondaje* company] taking considerably more time than first planned and reported? How many monitoring wells did the company plan to perforate? Originally they said “seven,” but now it seems like more. Were these wells for monitoring, as initially proposed, or was the company intending to extract water as well? Why were there lights at night in the region of these wells? What were they doing there at night?<sup>14</sup> The questions demonstrated that although the purpose of the drilling was for “monitoring and measuring the watershed,” Peineños suspected that mining company operations also involved extraction of water. During the monitoring trip, we were shown cleared areas of desert, “platforms” ready for drilling to begin, some with small metal “taps” where drilling had already occurred (successfully or unsuccessfully); we watched a truck perforating a new hole, looked at old and existing extraction pumps and large pipes stretching toward the horizon. The junior hydrogeologist who was with us seemed to be doing her best to explain the industrial and scientific rationale for and the process of drilling in order to measure and monitor, but there was little more she could say about closed metal structures, cleared dusty land, and mute pipes.

At one point, Humberto, an older Atacameño man in the monitoring party, pointed to the road stretching to the south through a pass in the low range, naming the places one would pass through before reaching the Salar de



Punta Negra and Monturaqui, the locality and old railhead where many Peineños worked in the early twentieth century. When he finished naming the sectors of mountain pass and plain, he noted that MEL and Zaldívar and other mines have their pumping stations and plants through this area and have renamed some of the places.

We drove in convoy to an ancestral pastoral area on the saltpan, known for pools of fresh water said to have healing properties (Mostny 1954), and visited the spring where local people used to take herds of livestock during the winter months. Sitting beneath a bough shelter and next to crumbling stone huts, community members spoke about coming here when they were young with donkeys and sheep, and their plans to upgrade the road so that the location might be used for tourism and community recreation. Humberto peered into the blue green pool of fresh water and noted that it needed to be cleared of weeds; he commented that it “still looked the same, but how could we know?”

Everything during the monitoring process seemed to be happening just beyond reach, underground or inside pipes. No gauges of water extraction pumps were able to be accessed and read during the monitoring trip, and reading a gauge would not, anyway, “say much” since monitoring changes in depths of an underground watershed is an uncertain and complex matter (Budds 2009; Oyarzún and Oyarzún 2011). The day trip did not allay suspicions among community members, and the company representatives seemed to shrug their shoulders: there was nothing more they could do. Everything *is* going on under the ground. However, community representatives judged the day trip unsuccessful in their remarks about only a junior scientist and one other person from the contracting company being present. This was the “real reason,” community leaders concluded, that no information could be accessed or assessed: a senior person from the mining company who might properly engage with the leaders of the community about their concerns was not present.

## Moralities and ethical relationships

Interactions of community and company actors at meetings where information about impact on the environment is presented and during monitoring where community representatives are allowed to look at the site of extraction and monitor the environment immediately affected are sites of intended transparency in both information and relationships. As such they have been scenes of corporate attempts to create relationships with a community and instill a sense of the moral legitimacy of extraction. Members of the community, while criticizing the adequacy of scientific reporting as not telling the *whole* truth, accept to some extent the proposition that further information can be found, and that thereby they may possess this knowledge. However, focusing on technology as a form of knowledge and seeking to know its dimensions avoids questions regarding how things come to count as “knowledge” and “not knowledge” in the first place (Riles 2004). Insistence on better transparency allows for the possibility that transparency might in fact be possible: it “leaves the world itself intact. Intentionally or not, it depends upon maintaining the absolute difference between representations and the world they represent” (Mitchell 2002: 4). In the meetings, community members such as Luis challenged transparency in terms of its truth value, highlighting the politics of the scientific reports. Perhaps most powerfully, Luis challenged the company representatives about how they could know what they know, given the limited sharing of environmental impact data among companies who extract from the same area. I interpret this as a potential political contest regarding the very conditions of transparency reporting as a *kind* of knowledge. It is a challenge to the particular conditions of the scientific reports, rather than questioning the activities and reports on their own terms.<sup>15</sup>

If company transparency reporting is a morally charged gift to the community, then the rejection of the veracity of the information and the terms of transparency under which the “gift”

of CSR has been given is also a rejection of the possibility of transparency. Where the community “collaborates” in an agreement, members have expressed significant disquiet largely because of limits to their knowledge and technological capacity in dealing with the corporate partner. Their doubts and cynicism in the face of claims to “transparency” and their calls for participation in social and environmental “accounting” imbue the process with a politics of knowledge. This politics is an effective counterclaim to transparency, since it avoids having to compete with the company on scientific grounds in which community members are not well equipped.

To reveal that “transparency” is a smoke-screen adds little to either local or social scientific understanding of the contexts of community-company relations (see also Rajak 2011a: 12–13). In both kinds of activities described here, moves toward a different kind of ethical action may be taking place. There is a sense in which, during activities of transparency (meetings and monitoring) with MEL and other mining company representatives, Atacameños assert that they have allowed company representatives to negotiate with them about territory and water, perhaps an attempt at proffering a reciprocal gift (collaboration) in return for good relations. Indigenous rights discourses might thus be positioned in parallel to the neoliberal discourse of CSR—both kinds of moral discourse grew up into our world in the late 1980s and frame the basis on which the kinds of engagements I describe here take place. However, neither is particularly good at understanding how such contests between local peoples and mining operations are being wrangled.

In understanding ethics as “ordinary,” Lambek (2011) insists that such matters are not rarified, not abstracted, but insinuated in the everydayness of judgement. The ordinariness stems also from the tacit, from agreement rather than the rule, and from practice rather than knowledge or belief. Where the tacit becomes explicit is where agreements are severed or breached and the implicit is contested or articu-

lated through renewal or education. This understanding of ethics allows us to examine activities undertaken in morally ambiguous situations in terms of the conditions judged by actors to be suitable. However, there are significant sociopolitical differences between company and community actors’ norms and propositional truths (Reynolds and Yuthas 2008: 53). Thus the idea that “ethical” transfer of information is occurring, or that ethical partnerships may be developed satisfactorily, especially alongside financial or a development benefit provided by companies to communities, is problematized by political and economic conditions of inequality (Coumans 2010: 38).

The likelihood of ethical action and communication seems improbable in the capitalist communication of business equivalence and technical accuracy involved in transparency reporting. In recognition of just these limitations, community members and company representatives seek an interpersonal proposition for participation that runs alongside ongoing community distrust of company truths, especially in terms of water extraction. I have shown that in this case, as the relationships between community and company progress, both parties seek to work beyond intractable and oppositional moral positions about the fact of water extraction. Cognizant of the importance of building “partnerships”, company representatives have begun to create social occasions where staff work, eat, and drink with members of the community and have provided more company representatives to work on the relationships entailed. Community members who seek to be involved in negotiations with the company also welcome efforts to provide workshops around technical truths and criticize activities (such as the monitoring trip) where these relationships were tested and failed. Participation and personalization called for by members of the community and the company seem to move toward a relationship that each is attempting to make ethical. Nevertheless, such hopes will not be shared by those who would seek to stop mining and associated water extraction or others who

would interpret “capacity building workshops” in terms of a cynical attempt to inculcate people into a particular version of truth.

## Conclusion

Meetings and other practices of transparency demonstrate that in terms of committed action, active demonstration of morality, or ethical criteria, there is a disjunction in the relationship between fact and value. Contestations that arise in these engagements include a strong common thread of the community unveiling transparency reporting by contesting the nature of reporting and the truth value it holds as much as for what facts and reporting hide as for what they leave unsaid. For their part, company representatives who work directly in social relations and environmental compliance reporting are aware of people’s suspicions of the value and nature of the truths they assert and seek to manage the mode of proffering company reportage alongside attempts at building better relationships. As part of the process of ensuring the company’s “social license to operate,” perhaps to be understood as the moral legitimacy of resource extraction, transparency reporting processes seek to convert community understandings to universals of technical truths. The impact of extraction is presented as negligible (*estable*) and doubt can be resolved through scientific evaluation and increased community capacity to read the science. Through this kind of persuasive communication, mining CSR programs may continue to some extent to be successful in “turning combatants into collaborators” (Rajak 2011a: 50). Nonetheless, the collaboration is consistently tested. Despite their engagement with a renewed relationship with the company, the community I have described above has expressed significant disquiet largely because of the limits to their knowledge and technological capacity to not just read the science but also deal with a powerful corporate entity. Doubts and cynicism in the face of transparency and calls for participation in social and environmental accounting seek to

make the process ethical and political at the local and personal level of these relationships between actors as well as in terms of the broader ethics and politics of economic inequality.

## Acknowledgments

My thanks and gratitude to the Atacameño peoples who welcomed me to undertake this research based in their communities, particularly Peineños. I acknowledge the staff with whom I spoke from Minera Escondida Ltda and BHP Billiton for making the time to speak with me. Many thanks to colleagues who commented on earlier drafts of this paper.

---

**Sally Babidge** is an anthropologist and academic based at The University of Queensland (Australia) with an interest in dynamics among indigenous peoples’ claims to territory and waters, the state, and resource extraction. Her ethnographic work takes place in Chile and Australia.

Email: s.babidge@uq.edu.au

## Notes

1. Research has been undertaken with funding from the Australian Research Council (ARC Discovery Grant #DP1094069) and ongoing support from The University of Queensland. Authorization to undertake this research was sought from the indigenous community leaders and through formal permission submitted to the community assembly. Mining company representatives agreed to be interviewed on an individual basis; I did not have expanded access to company activity or internal company meetings, as is the case with so-called “embedded” anthropologists (see Welker 2014: 6-12).
2. My attendance at community meetings and meetings between Peineños and outsiders provided the basis of observation, which was expanded through interviews and conversations with other indigenous leaders of the region, communications and interviews with represen-

- tatives of the social performance team of MEL, and others associated with the company, as well as with the relevant government and municipal authorities.
3. Michael Taussig’s (1999) ruminations on secrecy and revelation are instructive here.
  4. Likewise, Gregg Hetherington’s (2008, 2012) critiques of governance and transparency in Paraguay demonstrate that documents provided by government officials are considered less things by *campesinos* than indexes of social and political relations with those actors (2008: 52–53).
  5. There are limitations to the term “Atacameño” as an ethnic identification. However, the term is broadly used to refer to indigenous peoples of the region by the peoples themselves and outsiders. Some indigenous peoples of the Antofagasta region prefer the ethnonym *likanantai* (Carrasco 2011, Bolados 2014), but it was not the predominant self-identity among locals with whom I spoke in villages around the southern end of the Salar de Atacama. In the Municipality of San Pedro de Atacama, of which Peine is a part, more than 70 percent of the inhabitants identify as Atacameño (INE 2005).
  6. Chile’s Water Code (1981) is renowned for its experiment in creating a “free market” for this natural resource and thus enabling privatization and deregulation of the use and extraction of water (Bauer 2004). And the desalination plant and port located at Coloso are important for the broader story of MEL community relations and their response to increasing water scarcity. There is not the space to deal with these issues here.
  7. Although some companies in the region have begun to negotiate contractual agreements outlining the terms of corporate-funded community development, others have publicly rejected this approach, stating a preference for directing their CSR to the support of local government initiatives and local entrepreneurship rather than to community funds for development.
  8. This area is protected according to amendments to the Water Code made in 2005. Changes included shifting the DGA’s role toward regulation by prohibiting subterranean water exploration (especially that related to mineral exploration) in the north of Chile unless undertaken with authorization from the DGA (see article 58, Ministerio de Justicia Republica de Chile 2008). Budds (2009: 424) has demonstrated in some detail the limitations of models such as this PAT in terms of their accuracy, measurements, inferences, scale, and other factors. The DGA, however, sees these as a tool of management, as they work toward greater control over exploitation of the aquifers in Region II (DGA 2012).
  9. In both an interview with me later and in the meeting itself, company representatives made the point that water extraction occurred in this area before they arrived, and that there are many other operations extracting from the same watershed (see also Yáñez and Molina 2011).
  10. All names used in this article are pseudonyms.
  11. I did not audio-record these meetings. Quotations are paraphrased from handwritten notes taken at the time of the meeting and expanded to field notes immediately afterward.
  12. It is worth noting here that community meetings generally began around 9 pm and would run until at least midnight and that many people arrived after working 12-hour shifts in mining, associated service and hospitality industries, or in their fields.
  13. As noted above, various companies extract water from this watershed and basin. The hydrogeologist told me that they were as yet uncertain whether the waters on the southern end of the Salar were in fact derived from one or more subterranean springs and rivers that fed the region’s small fresh water supply.
  14. I drafted a brief report on the basis of my observations of the process and gave this to community leaders at the end of this monitoring trip. This report was part of my reciprocal agreement on providing preliminary analysis and other research materials in return for ongoing access to community meetings. As far as I am aware, the report was not given to company personnel.
  15. It also points us towards a rather simple fact of corporate life that underlies some of the problem of water management: that mining companies are not compelled to share the details of their scientific data.

## References

- Babidge, Sally. 2015. Contested value and an ethics of resources: Water, mining, and indigenous people in the Atacama Desert, Chile. *The Australian Journal of Anthropology*, published online 12 May 2015, doi: 10.1111/taja.12139.
- Barros, Alonso. 2011. Titularidad y subjetividad de las aguas nativas chilenas en el marco del convenio 169 de la OIT y la declaración de la ONU sobre los derechos de los pueblos indígenas. *Actas de Derecho de Aguas* 1: 197–218.
- Barry, Andrew. 2013. *Material politics: Disputes along the pipeline*. Chichester, UK: Wiley and Sons.
- Bauer, Carl J. 2004. *Siren song: Chilean water law as a model for international reform*. Washington, DC: Resources for the Future.
- BHP Billiton. 2014. "Community" [BHP Billiton community performance requirements, 4 April 2014]. [http://www.Bhpbilliton.Com/home/society/ourperspective/pages/indigenous-communities.aspx?Wt.Z\\_related=1](http://www.Bhpbilliton.Com/home/society/ourperspective/pages/indigenous-communities.aspx?Wt.Z_related=1).
- Bolados, Paola. 2014. Los conflictos etnoambientales de "Pampa Colorada" y "El Tatio" en el Salar de Atacama, norte de Chile. Procesos étnicos en un contexto minero y turístico transnacional. *Estudios Atacamenos: Arqueología y Antropología Surandinas* 48: 229–248.
- Budds, Jessica. 2009. Contested H2O: Science, policy, and politics in water resources management in Chile. *Geoforum* 40(3): 418–430.
- Camacho, Francisco M. 2012. Competing rationalities in water conflict: Mining and the indigenous community in Chiu Chiu, el Loa province, northern Chile. *Singapore Journal of Tropical Geography* 33(1): 93–107.
- Carrasco, Anita. 2011. One world, many ethics: the politics of mining and indigenous peoples in Atacama, Chile. Doctoral thesis (Anthropology), University of Arizona.
- Castro, Victoria, and Carlos Aldunate. 2003. Sacred mountains in the highlands of the South-Central Andes. *Mountain Research and Development* 23(1): 73–79.
- Castro, Victoria, and Marcela Romo, eds. 2006. *Tradiciones culturales y biodiversidad*. Santiago: Ocho Libros Editoriales Ltda & CONAMA.
- Contreras, Ernesto, and Francisca Greene. 1998. *Las tierras indígenas en Chile*. Datura Consultores Profesionales para CONADI- Oficina de Asuntos Indígenas de San Pedro Atacama SPA-Chile.
- Coumans, Catherine. 2010. Alternative accountability mechanisms and mining: The problems of effective impunity, human rights, and agency. *Canadian Journal of Development Studies/Revue canadienne d'études du développement* 30(1–2): 27–48.
- Dirección General de Aguas (DGA). 2012. Informe técnico: Análisis preliminar de planes de alerta temprana con condicionamiento de Derechos. Realizado por: División de Estudios y Planificación SDT No. 335. Dirección General de Aguas, Ministerio de Obras Públicas, Gobierno de Chile. Santiago, December 2012, <http://documentos.dga.cl/ADM5392.pdf>.
- Duarte, Fernanda. 2011. What does a culture of Corporate Social Responsibility "look" like? A glimpse into a Brazilian mining company. *International Journal of Business Anthropology* 2(1): 106–122.
- Extractive Industries Transparency Initiative. 2013. (EITI), <http://www.eiti.org>.
- Ferguson, James. 2005. Seeing like an oil company: Space, security, and global capital in neoliberal Africa. *American Anthropologist* 107(3): 377–382.
- Garsten, Christina, and Kerstin Jacobsson. 2011. Transparency and legibility in international institutions: The UN Global Compact and post-political global ethics. *Social Anthropology* 19(4): 378–393.
- Garsten, Christina, and Monica Lindh de Montoya. 2008. Introduction: Examining the politics of transparency. In Christina Garsten, and Monica Lindh de Montoya, eds., *Transparency in a new global order: Unveiling organizational visions*, pp 1–17. Cheltenham, UK: Edward Elgar.
- Gelles, Paul H. 2002. *Agua y poder en la sierra peruana*. Lima: Pontificia Universidad Católica del Perú.
- Hetherington, Kregg. 2008. Populist transparency: The documentation of reality in rural Paraguay. *Journal of Legal Anthropology* 1(1): 45–69.
- Hetherington, Kregg. 2012. Agency, scale, and the ethnography of transparency. *PoLAR: Political and Legal Anthropology Review* 35(2): 242–247.
- Horowitz, Leah S. 2010. "Twenty years is yesterday": Science, multinational mining, and the political ecology of trust in New Caledonia. *Geoforum* 41(4): 617–626.

- Instituto Nacional de Estadísticas (INE). 2005. *Estadísticas sociales de los pueblos indígenas en Chile. Censo 2002*, [http://www.ine.cl/canales/chile\\_estadistico/estadisticas\\_sociales\\_culturales/etnias/pdf/estadisticas\\_indigenas\\_2002\\_11\\_09\\_09.pdf](http://www.ine.cl/canales/chile_estadistico/estadisticas_sociales_culturales/etnias/pdf/estadisticas_indigenas_2002_11_09_09.pdf).
- Lambek, Michael. 2011. Towards an ethics of the act. In Michael Lambek, ed. *Ordinary ethics: Anthropology, language, and action*, pp. 39–63. New York: Fordham University Press.
- Larraín, Horacio. 1993. Identidad cultural indígena tras quinientos años de aculturación: desafío y destino. *Estudios Sociales, CPU 76* (April–June): 135–148.
- Li, Fabiana. 2011. Engineering responsibility: Environmental mitigation and the limits of commensuration in a Chilean mining project. *Focaal: Journal of Global and Historical Anthropology* 60: 61–73.
- Maak, Thomas, and Nicola Pless. 2009. Business leaders as citizens of the world. Advancing humanism on a global scale. *Journal of Business Ethics* 88(3): 537–550.
- Ministerio de Justicia Republica de Chile. 2008. *Código de Aguas con las modificaciones*. Santiago: Biblioteca Nacional de Chile, <http://www.leychile.cl>.
- Mitchell, Timothy. 2002. *Rule of experts: Egypt, techno-politics, modernity*. Berkeley: University of California Press.
- Mostny, Greta. 1954. *Peine: Un pueblo Atacameño*. Facultad de Filosofía. Universidad de Chile, Santiago: Publicacion No. 4 Del Instituto de Geografía.
- Ojeda, Jose M. 2000. Aprendizajes sobre la marcha en el entendimiento entre empresa y comunidad. *Ambiente y Desarrollo* 16(1–2): 36–41.
- Oyarzún, Jorge, and Ricardo Oyarzún. 2011. Sustainable development threats, inter-sector conflicts, and environmental policy requirements in the arid, mining rich, northern Chile territory. *Sustainable Development* 19(4): 263–274.
- Peck, James, and Adam Ticknell. 2002. Neoliberalizing space. *Antipode* 34(3): 308–404.
- Rajak, Dinah. 2011a. *In good company: An anatomy of corporate social responsibility*. Stanford, CA: Stanford University Press.
- Rajak, Dinah. 2011b. Theatres of virtue: Collaboration, consensus, and the social life of corporate social responsibility. *Focaal: Journal of Global and Historical Anthropology* 60: 9–20.
- Reynolds, Mary Ann, and Kristi Yuthas. 2008. Moral discourse and corporate social responsibility reporting. *Journal of Business Ethics* 78(1): 47–64.
- Riles, Analise. 2004. Real time: Unwinding technocratic and anthropological knowledge. *American Ethnologist* 31(3): 392–405.
- Sanders, Todd, and Harry G. West. 2003. Power revealed and concealed in the new world order. In Harry G. West and Todd Sanders, eds., *Transparency and conspiracy: Ethnographies of suspicion in the New World Order*, pp. 1–17. Durham, NC: Duke University Press.
- Sawyer, Suzana. 2004. *Crude chronicles: Indigenous politics, multinational oil, and neoliberalism in Ecuador*. Durham, NC: Duke University Press.
- Strathern, Marilyn. 2000. The tyranny of transparency. *British Educational Research Journal* 26(3): 309–321.
- Taussig, Michael. 1999. *Defacement: Public secrecy and the labour of the negative*. Stanford, CA: Stanford University Press.
- Villagrán M., Carolina, and Victoria Castro R. 1997. Etnobotánica y manejo ganadero de las vegas, bofedales y quebradas en la Loa superior, Andes de Antofagasta, II Region, Chile. *Chungará* 29(2): 275–304.
- Welker, Marina A. 2009. “Corporate security begins in the community”: Mining, the Corporate Social Responsibility Industry, and Environmental advocacy in Indonesia. *Cultural Anthropology* 24(1): 142–179.
- Welker, Marina A. 2014. *Enacting the Corporation: An American mining firm in post-authoritarian Indonesia*. Berkeley: University of California Press.
- Yakovleva, Natalia. 2005. Corporate social responsibility in the mining industries. Burlington, VT: Ashgate.
- Yáñez, Nancy, and Raúl Molina. 2011. *Las aguas indígenas en Chile*. Santiago: LOM Ediciones.