

# Towards a Sustainable Corporate Social Responsibility Discharge and Accountability in the Extractives Industry

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## Abstract

The paper examines how Corporate Social Responsibility (CSR) activities manifest and their respective discharge and accountabilities in the extractives industry. The study employs content analysis to examine the sustainability reports of two leading extractive firms in Ghana namely, AngloGold Ashanti and Tullow plc. Thereafter, it engages relevant stakeholders in interviews to probe deeper into the results of the content analysis to corroborate the evidence from the companies. The results indicate that the CSR discharge and accountability of the firms are inconsistent with society's expectations and that the firms employ legitimization mechanisms in their CSR practices to obtain and retain social licenses to operate. Hence, CSR discharge and accountability of the firms are rather superficial and rhetoric in nature and performed just to keep themselves in a positive light, while enhancing corporate reputation and visibility. The study contributes to the CSR literature by specifically focusing on how CSR activities manifest and their respective accountability discharge in the extractives industry. The paper takes a holistic multidimensional methodological approach to resolve CSR and respective accountability issues, unlike existing studies that look at the substantive issue on a piecemeal basis, thus, either through interviews or content analysis. It provides useful information to policymakers and a reference point to industry on their CSR accountability strategies and subsequent implementation.

## Keywords:

Accountability, Corporate Social Responsibility, Extractive Industry

## INTRODUCTION

Globally, Corporate Social Responsibility (CSR) has become a topical issue, particularly, in the extractive industries within developing countries (Jamali and Carroll, 2017; Jamali et al., 2017; Lim and Greenwood, 2017; Ansu-Mensah et al., 2021). Extractive companies are progressively pressured to address a comprehensive set of social responsibilities beyond legal and environmental requirements, which requires that they incorporate a holistic approach to their activities. This has led to an increase in awareness of the concept in academic literature with studies focusing on different aspects of CSR (Aguinis and Glavas, 2012; Lim and Greenwood, 2017; Ansu-Mensah et al., 2021; Simpson et al., 2021). Some studies have focused on the meanings, definitions, and models of CSR (see Carroll, 1999; Waddock, 2004; Wood, 2010; Crane and Matten, 2020). Others have examined the impact of CSR on firm performance (see Carroll and Shabana, 2010; Apospori et al., 2012; Malik, 2014). Some studies have also been fixated on CSR and the creation of shared value (see Porter and Kramer, 2011; Leila and Trap, 2012; Chandler and Wether, 2013). The extant literature opines that studies have highlighted core issues in CSR including the role and evolution of CSR in Africa's extractive industry (Hilson, 2012; Esau and Malone, 2013). Other studies have explored the role of CSR, possible areas of prevalence, and some superlative CSR practices from the extractive industry (see Ranangen and Zobel, 2014; Kozubek, 2016). See also Ansu-Mensah et al. (2021) who examined CSR and stakeholder engagement and Simpson et al. (2021) who examined the assurance of environmental, social and governance disclosures in a developing country. None of these studies however explored how CSR practices manifest and the respective CSR accountabilities discharged in the extractive industry in developing economies. Further to this, Amaeshi et al. (2016) and Egbon et al., (2018) have called for the need to have a study that explores the holistic view of all stakeholders on CSR within the Sub-Saharan extractive industry. Hence, making community consent and engagement (Which has been relegated to the background), critical issues in CSR practice.

This presents a commitment for companies to engage host communities to address their concerns on social and environmental issues. In the case of extractive companies, it provides an opportunity to build a sustainable relationship while levelling power asymmetries between the company and the community (See Slack, 2011; Jamali and Carroll, 2017). For this to suffice, Egbon et al. (2018) noted that inclusivity and accountability are core and critical to corporate-community relations and for achieving community development (see also Ansu-Mensah et al., 2021). Hence calling for an urgent commitment and investigations into a holistic approach to sustainable CSR and respective accountability practices within the Sub-Saharan region. See also previous calls from Aaron (2012), Belal, et al., (2013), Amaechi et al. (2016). In this respect, the paper, seeks to examine how CSR activities manifest and the respective CSR accountabilities discharged in the extractives industry.

In achieving this purpose, we answer the following research questions.

~~developmental challenges for extractive industry in infrastructure and~~  
arens drawn in developed countries to those that

- i. How are CSR activities manifested and discharged in the extractive industry?
- ii. How has society's expectations been, regarding the sustainable discharge of CSR?

The rest of the paper is structured as follows. The next section sets out the background of CSR in emerging economies, while Section 3 builds on prior work and theoretical framing. The fourth section describes the data and methodology employed. Section 5 presents and explores the empirical data and Section 6 concludes the paper.

## LITERATURE REVIEW

### Corporate Social Responsibility in Emerging Economies

In recent times there has been enormous pressure on firms to shift from philanthropic CSR to a more holistic CSR that gives back equitably to societies, environment, communities including health and

safety of all, particularly in emerging economies like Angola, Nigeria, Sudan, and DR Congo (Visser, 2005; Pachauri, 2006; Belal and Momin, 2009; Wang et al., 2016). This call and obligation on companies have been due to the continual negative socio-economic and environmental impact of companies on emerging economies (WRI, 2005; UNDP, 2006; World Bank, 2006; IMF, 2006; Visser, 2009; Belal, et al., 2013; Jamali and Carroll, 2017). Ghana happens to be one of the world's leading emerging economies (IMF, 2019). In 2019, the International Monetary Fund recorded a growth rate of 8.8% in its World Economic Outlook on Ghana making Ghana the fastest growing emerging economy (IMF, 2019). This growth was attributed to the growth in the extractive industry (oil and gas, and mining). Hence, the influx of multinational extractive firms like AngloGold Ashanti and Tullow Oil Plc and their various levels of CSR contributions to the nation. For example, payments made by AngloGold in the form of taxes and royalties were USD 26,300,000 to the Government of Ghana in 2017 (AngloGold, 2017). Tullow Oil Plc on the other hand contributed USD 84,352,000 to Ghana's economy in the form of Value Added Tax, PAYE, Customs Duties, and Carried Interest (Tullow, 2017). The argument here is that these payments serve as an avenue for promoting CSR in the nation's extractive industry. However, it is also strongly contended that the payments above are in fulfillment of statutory duties, and therefore, the companies have an additional obligation to fulfill their social and environmental responsibilities to the communities within which they operate, due to their social and environmental impact (Cooper and Owen, 2007; Amponsah-Tawiah and Dartey-Baah, 2011; Amaeshi et al., 2016a; 2016b; Asare et al., 2021). This latter contention is one of the cardinal issues that necessitated this study, where we set out to ascertain the truth or otherwise if these extractive companies are fulfilling their social and environmental responsibilities to respective communities and the ensuing accountabilities thereof. We, therefore, investigate if the companies' CSR discharge accountabilities coincide with societal expectations.

## Theoretical Framework

### Corporate Social Responsibility and Accountability

Accountability relates to moral or institutional norms within which an agent is entitled to question, direct, sanction, or constrain the exercise of power by another (Macdonald, 2014). The demand for accountability has grown over the years with businesses under immense pressure to exhibit transparency leading to accountability in their actions to the societal and environmental actors (Cooper and Owen, 2007). These pressures are coming from, greater stakeholder awareness of corporate, ethical, social and environmental behaviour (Cooper and Owen, 2007; Ernst and Young, 2002). Accountability, therefore, happens when individuals and organisations report to a recognised authority and are held responsible for their actions (Edward and Hulme, 1996) and also involves taking responsibility for one's actions (Cornwall et al., 2000). Accountability, simply, is the duty to provide an account (for example, a CSR report) of those actions for which one is held responsible. For external parties, it serves as a tool to disclose activities in annual reports (Connolly and Hyndman, 2013). When there are no accountability mechanisms to ensure that organisations act responsibly, unethical behaviour and multiplicity of practices become the norm. For an effective discharge of functions, accountability is a necessary phenomenon. Thus, accountability serves as a check on the actions of individuals and institutions who have the responsibility (moral or legal) to discharge their functions. CSR accountability, therefore, gives a role to government and society to enable them to assess the performance of the organisation, thus, serving as a social control mechanism (Campbell, 2012). To be able to examine how CSR activities are manifested and the respective CSR accountability discharged in the extractive industry taking cognisance of the profusion of CSR practices, we explore the concept from the strategic accountability and the respective performance accountability viewpoints, borrowing from Dhannani and Connolly (2012) and Asare et al. (2021). While Dhannani and Connolly (2012) explored the concept from strategic, financial,

fiduciary, and procedural viewpoints within UK charities, Asare et al. (2021) explored the concept in terms of performance accountability and governance within the extractive industries in emerging economies. Strategic accountability is associated with an organisation's core purpose. Hence, related disclosure includes the organisation's vision and mission, activities and programs to achieve the intentions, and the results, that is, measuring the impact of organisation's actions and the extent to which the outcomes have been achieved (Keating and Frumkin, 2003; Asare et al., 2021). Considering the nature of CSR in developing economies (being philanthropic) (Ofori and Hinson, 2005), and dependent on the socio-economic environment within which a firm operates, the firms elect to act responsibly regarding their social and environmental responsibilities and periodically report to their stakeholders. This, according to Gray et al. (2006), constitutes a form of accountability, since the firms have chosen to take responsibility for the impact of their actions. However, the question still lingers on as to whether for example, the strategic CSR issues presented are discharged, thus, if the firms operationalise their CSR strategies, thereby walking the talk in a form of performance accountability (See Asare et al., 2021); hence the existence of some CSR initiatives which enable firms to be held accountable for their actions. Notable among the CSR initiatives include the Voluntary Principles on Security and Human Rights, which mandates firms in the extractive industry to commit to human rights standards for their operations (Voluntary Principles, 2010), the Extractive Industries Transparency Initiative, which allows companies to voluntarily disclose payments to governments (Extractive Industries Transparency Initiative, 2010). Based on the foregoing in the extant literature, we are of the view that the degree to which the CSR policies are implemented and reported (thus performance accountability) remains paramount. Since the extant literature posits that companies may use rhetoric and political inclusion to legitimise their activities, hence, they will present strategies but will fail to implement them, which underscores our decision to explore how CSR issues manifest and their respective discharge, thus the actual implementation on the ground. Based on

the foregoing, it is therefore paramount that we touch on the legitimacy theory and highlight how it explains our data subsequently.

### Legitimacy Theory

Suchman (1995) defined legitimacy as a measure of society's attitude towards a firm and its activities. Lindblom (1993) mentioned legitimacy as a condition or status that exists when an entity's value system is on the same string as the value system of the major portion of society. Legitimacy theory is based on the premise that 'a social contract exists between a firm and society' (Suchman, 1995:574). Firms, therefore, endeavour to legitimise their activities to ensure goal congruence between them and the society (Ashford and Gibbs, 1990; Deegan, 2002; Frynas and Yamahaki, 2016). Legitimacy theorists (e.g., Deegan 2002; Deegan 2019) argue that companies use CSR as an effective means of changing the perceptions of stakeholders (see also Aribi, 2009). This is done to bridge the gap between stakeholders' perceptions of an organisation's social responsibility (O'Donovan, 2002). The information disclosed in the annual reports of the firm is used by management to send a message across to the public to accept management's view of the society and to correct a misconception the public might have about the environmental performance of the firm (Deegan, 2002; Deegan 2019). Hence, firms are more focused on gaining and repairing legitimacy in as much as maintaining it (Ashforth and Gibbs, 1990; Asare et al., 2021).

Due to the role legitimation plays in the rationalisation of organisational actions and research, it has been seen and interpreted from different angles depending on the objective at stake (Deegan, 2019). For example, inter alia, Chelli et al. (2014) construe legitimation as a tool for repairing damaged reputation, while both Islam and Deegan (2010) see it as an empowering tool in the hands of social actors to demand accountability and Lanis and Richardson (2013) understand it as a tool employed by social actors to enable them to meet their expectations from firms. However, we employ Asare et al. (2021) analogy which drew on Cho (2009) that construe legitimation in three categories, thus, image enhancement, avoidance

and deflection, and disclaimer strategies (IES, ADS and DS respectively).

### *Legitimation Tools*

By employing IES, companies want to align themselves with social values and environmental regulation, to attain and retain social licence that gives them credibility and relevance (Ashforth and Gibbs, 1990; Cho, 2009, Asare et al., 2021). In effect, they seek “self-aggrandisement”; where [they] institutions showcase their “prowess and accomplishments . . . in ways that are probably exhibitionistic and exaggerated,” (Brown, 1997, p. 659). However, the ADS notion involves companies attempting to establish social trust, confidence and the type of citizen-focussed image described by Ribot (2003). In this regard, companies draw public attention away from pressing social and environmental concerns (for example, spillages and pollution) and rather towards more trivial issues (Asare et al., 2021). Consequently, in the DS notion companies aim at legitimacy by repudiating well-established facts and denying responsibilities, thus avoiding accountability for incidents and behaviour that might cause significant reputational damage (Aribi, 2009; Campbell, 2008; Cho and Patten, 2007; Starbuck et al., 1978; Suchman, 1995). These legitimation strategies discussed here reflect the CSR discharge and accountability issues being explored in our current study, hence their respective applications in subsequent sections.

## **METHODOLOGY AND METHODS**

Several studies (see Guthrie et al., 2004; Laughlin and Gray, 2014; Sandström, 2015; Dunstone et al., 2017; Egbon et al. 2018) have employed content analysis to examine the various phenomenon in both developed and developing countries. Others (e.g., Wanyama et al., 2013; Chanda et al., 2017) have used interviews to investigate critical governance issues in sub-Saharan Africa. The current study, however, employs both content analysis of firms’ sustainability reports and interviews with relevant civil society groups to

explore the phenomenon under investigation. Thus, examining how CSR activities manifest in the extractive industry and their respective discharge and accountabilities, which necessitated the research questions set out in section one.

Therefore, in addressing the research questions (first one), the study conducts Meaning Oriented Content Analysis (MOCA) on the 2018 sustainability reports of the selected mining/O&G firms (Anglo-Gold Ashanti and Tullow Plc) which is followed by series of interviews with relevant stakeholders to collect data in answering the second research questions.

### **Content Analysis Technique and Interviews**

Content Analysis is a technique for gathering data that involves codifying qualitative and quantitative information into pre-defined categories to derive patterns in the presentation and reporting of information (Guthrie et al., 2004). It seeks to analyse information systematically, objectively, and reliably (Krippendorff, 1980; Guthrie and Parker, 1990; Guthrie, 1983). As characterised by Krippendorff (1980) content analysis is: “... a research technique for making replicable and valid inferences from data according to their context” (p. 21). Weber (1990) maintained that content analysis “classifies textual material, reducing it to more relevant, manageable bits of data” (p. 5).

The study specifically employs the MOCA in the analysis of Tullow Oil plc and AngloGold Ashanti’s 2018 sustainability reports due to its ability to explore the latent meaning of symbols and texts. We chose these two companies to represent the extractive industry, thus, whilst Tullow represents the oil sector, AngloGold represents the mining sector for the reasons adduced. Tullow is the leading upstream oil producer in Ghana, while AngloGold is amongst the leading mining companies in Ghana (Kastning, 2011; Asare et al., 2021). Both companies’ CSR activities, therefore, have the most significant effects in the industry, hence stakeholders are most interested in the CSR activities of these companies (Public Interest Accountability Committee (PIAC), 2011).

At the end of the MOCA process, the CSR accountability issues that emerged were reclassified under health and safety, community development and shared prosperity, and environmental stewardship and responsible operations. Subsequently, we proceeded with the interviews engaging the relevant community stakeholders (Media and Advocacy (MDA), Local Community Groups (LCG), Think Tanks (TTN), and Chiefs and Traditional Leaders (CTL)) for their respective views on the CSR manifestations and discharge in Table 1: Interviewee Demographics

the extractive industry. Thirteen interviews were performed which were mostly on phone (ten) and the rest (three) face-to-face observing all Covid 19 protocols. All ten phone interviews were recorded, while one out of the three face-to-face interviews were also recorded. The two face-to-face interviews that were not recorded were due to interviewees' concerns about anonymity issues. Tables 1 and 2 show interviewee demographics and codification respectively.

<b>Stakeholder</b>	<b>Frequency</b>	<b>Percent</b>
Local Community Groups (LCG)	2	27.27%
Media and Advocacy (MDA)	4	36.36%
Think Tanks (TTN)	5	18.18%
Chiefs and Traditional Leaders (CTL)	2	18.18%
Total	13	100.00%
<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	8	63.63%
Female	5	36.36%
Total	13	100.00%
<b>Job Position</b>	<b>Frequency</b>	<b>Percent</b>
Managers	7	54.54%
Senior Managers	6	45.45%
Total	13	100.00%
<b>Educational Level</b>	<b>Frequency</b>	<b>Percent</b>
First Degree	5	36.36%
Second Degree	8	63.63%
Total	13	100.00%

The table details interviewees' stakeholder grouping, gender distribution, educational background, and job position

Table 2: Interviewee Codifications

<b>Interviewee organization/classification</b>	<b>Number</b>	<b>Code</b>
<i>Civil Society Groups (CSGs)/Think Tanks (TTN)</i>		
Africa Centre for Energy Policy (ACEP) – Top official	1	TTN 01
(Imani) Centre for Policy and Education – Top official	1	TTN 02
Integrated Social Development Centre – Senior policy analyst	1	TTN 03
Extractive Industry Transparency Initiative (EITI) – Senior advocate	1	TTN 04
Public Interest Accountability Committee (PIAC) – Senior advocate	1	TTN 05
<i>Media and Advocacy:</i>		
Journalist –journalist (1); Senior journalist (1)	2	MA01–02
Judicial system – Senior advocates (Policy)	2	MA03–04
<i>Local Community Groups (LCT):</i>	2	LCT01-02
<i>Chiefs and Traditional Leaders (CTL)</i>	2	CTL 01 -02

Note: This table details the 13 interviewees taking part in the study from March 2020 to July 2020 and the codes used to refer to each individual in the text.

The interviews lasted between 30 and 45 minutes in each case running from March 2020 to July 2020. In ensuring that the evidence was reviewed on a systematic basis, we transcribed the interview tapes and conducted an initial read-through to identify key themes. We scrutinised the transcripts for recurring text and language in an attempt to identify consistencies and incongruities. At the point of saturation, the interviewee's main concerns coalesced around the CSR manifestations previously identified, thus, health and safety, community development and shared prosperity and environmental stewardship and responsible operations. We, therefore, used these themes as bases for our analysis and discussion in the subsequent sections.

## **EMPIRICAL EVIDENCE, ANALYSIS, AND DISCUSSIONS**

The section presents the empirical evidence from data collected, the analysis made, and discusses and interprets the findings to empirical evidence obtained based on the theoretical framework of the paper. This section is presented in two parts, thus, CSR manifestation and discharge in answering the first research question and society's expectation of the sustainable discharge of CSR, in answering the second research question.

### **Manifestation and Discharge of CSR**

Asif and Fisscher (2013) consider CSR as a tool used by organisations to make corporate practices more transparent and socially responsible. This implies that CSR practices should be incorporated at all levels of a company. We, therefore, present evidence from Anglo-Gold Ashanti and Tullow. In the case of AngloGold Ashanti, CSR is manifested in the following areas: safety, health, environment, government and community. While for Tullow Oil, CSR is manifested in the following ways: Shared prosperity, environmental stewardship, and responsible operations. We, therefore, reclassify and discuss these manifestations under health and safety, community development and shared prosperity and environmental stewardship and responsible operations as set out in Tables 3 and 4 below.

Table 3: AngloGold Ashanti CSR Manifestations

Areas of Focus	Manifestations
Safety	Embedding and integrating safety into the business
	Risk management to drive workplaces free of harm
	Enabling safe operations through line management Critical control modelling for next generation
Health	Strengthening organisational capability and health risk management to eliminate occupational exposures above set limits.
	Company health initiatives to optimise fitness for work
Environment	Community health initiatives- strengthening health systems; responding to epidemics
	Risk management to drive zero harm – elimination of harmful discharges
	Leveraging our position in land and water as a catalyst to create value beyond our traditional scope of influence
Community Development	Driving integrated closure management across the mining cycle
	Communities – strengthening institutional capacity, establishing strong partnerships and creating alternative industries

Table 3 gives a summary of the way CSR is manifested in the case of AngloGold Ashanti in its Sustainable Development Report. Source: (AngloGold Ashanti Sustainable Development Report, 2018)

Table 4: Tullow's CSR Manifestations

Areas of focus	CSR Manifestation Areas	Strategic Issues
Shared Prosperity	Local Content and Capacity	Creating meaningful and enriching business opportunities
	Developing Local Skills	Supporting education and skills development
	Social Investment	Investing in shared infrastructure and logistics
Environmental Stewardship	Climate Resilience	N/A
	Ecosystems	Review and improve its environmental and social impact assessment
Responsible Operations	Safety and Wellness	Commitment to ensuring the safety of colleagues and host communities
	Responsible Production	Reducing major safety hazards

Table 4 gives a summary of the way CSR is manifested in the case of Tullow in its Annual Report. Source: (Tullow Oil Plc, Annual Report 2018)

Following these CSR manifestations, we discuss how CSR is discharged by these firms in the extractive industry.

### Discharge of CSR Activities

We discuss the discharge of CSR in the extractive industry based on the manifestations indicated above. In the course of the discussions, we delve deeper to ascertain why the firms discharge CSR the way they do. Further, to have a holistic picture of the entire CSR activities with respect to the

viewpoints of all the actors within the extractive industry, we engage the citizens for their respective views on the CSR accountability approach within the extractive industry. In this manner, we collected data and analysed them to answer the two research questions that necessitated the study. This is done in line with Bouten et al. (2011) who opine that companies should not only report their strategic intentions and policies but also ensure respective discharge and consequent reporting of their entire CSR responsibilities to ensure a holistic and

sustainable CSR accountability. We, therefore, present and discuss our findings as set out below.

### ***Safety and Health***

Safety and health issues have gained prominence and are used to assess CSR performance in organisations (Sowden and Sinha, 2005). Such information in the CSR report is what motivates and enables employees to raise productivity and follow better safety practices. For AngloGold, the safety of its employees is a material issue, and it was reported as follows:

Employee safety in AngloGold was ranked as the most significant material issue facing AngloGold Ashanti in 2018. Notwithstanding the progressive improvements seen in the company's safety performance over the year, we recognise that as a company, we will continue to be defined by our ability to protect employees from injury and harm (AngloGold Sustainable Development Report, 2018, p .23).

As part of achieving its strategic goals, AngloGold intended to embed and integrate safety into their business, implement risk management to drive workplaces free of harm, and enable safe operations through line management critical control modelling for the next generation. Some of the safety practices undertaken by the firm included establishing a multi-disciplinary Technical Standards Committee, with oversight over the development and review of safety-related standards, monitoring compliance with existing critical controls for fatal risk hazards, and monitoring, evaluating, and reporting with effective governance.

However, with all these practices in existence, the firm recorded some fatalities despite the move to improve its safety practices which it indicated in its report as follows:

Sadly, in the first four months of the year, the company experienced three fatal injuries. Two of these occurred in South Africa and one at the international

operations in Brazil. We remain committed to achieving our objective of zero fatalities.

Further, they indicated that:

Reporting of high potential incidents continues to heighten awareness, facilitate organisational learning and effect more robust controls (AngloGold Sustainable Development Report, 2018, p.27).

The above is suggestive of AngloGold's commitment towards safety and health issues internally. In our investigations, we found evidence of the demonstration of performance in the area of safety and health towards employees beyond the mere mention of intents, goals and objectives of AngloGold, which is commendable. This is an indication of the move beyond strategy formulation to implementation and actual performance and accountability on employee health and safety.

We noticed during our content analysis that AngloGold disclosed bad news in its accountability to the stakeholders which is commendable. This is because extant literature posits that companies usually tend to conceal bad news and only report good news in their accountability to their stakeholders to present themselves in a positive light to the public, which is a strong legitimisation mechanism in practice under IESs (Gray et al., 1995). In this regard, Aribi (2009, p. 116) argued that:

Companies might avoid disclosing bad or negative news in their reports since such information is not favourable to their corporate reputation and therefore may reduce the company's profit or its capital market.

In this respect, AngloGold has shown lots of courage and responsible accountability for not concealing the bad news, but rather reporting it and taking responsibility. This is the kind of reporting that leads to sustainable CSR accountability that radiates stakeholder confidence and trust in companies.

Similarly, Tullow also adduced high importance to employee safety and health in their CSR discharge and accountability as indicated below:

We are committed to ensuring our colleagues and host communities are kept safe and well, and to raising awareness of potential dangers related to our operations and the locations where we operate. All of Tullow's colleagues have access to private healthcare and we aim to achieve top quartile industry performance on our occupational safety measures. We also protect our colleagues and assets with robust emergency plans (Tullow Oil Plc Annual Report, 2018, p.43).

Tullow demonstrated their commitment to the above with evidence as shown below:

Our occupational health performance in the prevention of malaria cases for non-immune personnel continued to remain strong with zero malaria (serious) cases being recorded in 2018. The Company is committed to improving employee health, wellbeing and resilience in the workplace, and a new employee wellbeing and resilience programme was introduced in the latter part of 2018 (Tullow Oil Plc Annual Report, 2018, p.43)

Likewise, they indicated

Major accident hazards represent a material risk to Tullow. To address this, process safety management policies, standards and plans are applied to all drilling and production activities. They are incorporated in planning and decision making throughout the project life cycle, from concept selection, design and construction through to commissioning, operations, modifications and decommissioning (Tullow Oil Plc Annual Report, 2018, p.43).

In this manner, Tullow has also demonstrated safety and health performance accountability beyond just the strategic formulation of policies and intents, which is commendable.

### ***Community Development and Shared Prosperity***

According to Carroll (1979), managers and employees need to participate in voluntary and charitable activities within their local communities, especially in projects that enhance a community's quality of life. Carroll (1979) maintains that successfully implemented CSR programs on community development promote growth, reduce poverty, and offer financial benefits to the members of society. In our content analysis (MOCA) of Tullow and AngloGold's Sustainability reports, we, therefore, probed deeper beyond the manifest contents to unveil the latent meaning lurking behind the issues (See also Duriau et al., 2007; Krippendorff, 2013). Their reports indicated that they are committed to the development of their host communities through the provision of job opportunities and the construction of infrastructure. Below are extracts to summarise our findings:

For AngloGold,

In 2018, the program is estimated to have covered over a million structures, protecting around 1 million people, and creating some 1,300 job opportunities in the communities involved (AngloGold Sustainable Development Report, 2018, p.33).

For Tullow Oil Plc,

In 2018, Tullow committed \$10 million to building school infrastructure for Senior High Schools (SHS) in Ghana over five years, making an annual contribution of \$2 million over this period (Tullow Oil Plc, Annual Report, p.41)

Although Tullow and AngloGold indicated that they took initiatives towards community development, our interviews with the community and society, confirmed that there was a lack of community engagements before the firms embarking on these projects. Various community stakeholders maintain that the decisions of the firms were unilateral and therefore void of prior

stakeholder engagements. The community stakeholders, therefore, explained that their needs and expectations within the normal CSR scope from the firms were far beyond what the firms provided. They, therefore, explained that they are highly disappointed in the firms since these firms make supernormal profits from the society and community's resources but fail to at least fulfill their minimum CSR. They, therefore, maintained that the CSR accountability from these firms is superficial, void and only meant for self-aggrandisement and image enhancement purposes. Below are extracts from the interviewees that provide summaries of the substantive issues at stake:

The companies claim that there are significant community developments preceded by community engagements, now tell me where you can find actual community developments. They build those tiny village structures called schools and hospitals. Okay, how much money have they made from our resources? The least said about them the better...and they make a public show of things that do not matter (LCG 02).

Similarly, CTL 01 explained:

These companies deprive us of our lands, what do we get in return? Nothing close to what they take from us, it's a shame.

TIN 02 continued:

...so, the firms are saying they created jobs for us, fine. How many of our people are at the strategic decision-making level? Don't they make the money and repatriate everything to their countries? ...and our leaders are saying nothing....well.

The rest of the respondents commented in similar tones, which is suggestive of the fact that the extractive companies are rather cunningly rendering selective accountability just to maintain their legitimacy status with the people and to maintain their global corporate image. The evidence above is also suggestive of the fact that the CSR practices of the firms are philanthropic and geared towards enhancing corporate reputation due to the image enhancement strategies employed

in line with Cho (2009) and Asare et al. (2021). In this respect, CSR accountability is nothing but superficial, void and exploitative.

### ***Environmental Stewardship and Responsible Operations***

Environmental stewardship and responsible operations have been a paramount issue in the CSR and sustainability discourse over decades. It has been argued that the move towards a sustainable CSR accountability regime will be difficult to achieve without a prime focus on environmental stewardship and responsible operations (Cooper and Owen, 2007; Lauwo et al., 2016; 2019). However, rather than focusing on best practices to achieve environmental stewardship and responsible operations in the discharge of CSR, extractive firms most often than not resort to CSR as a legitimisation tool to manage community relations and to maintain their social license to operate (Asare et al., 2021). Extractive companies are characterised by high social visibility which compels the firms to take a strategic approach to CSR. Firms, therefore, in trying to remain in the limelight and keeping a positive image of themselves in their Environmental stewardship and responsible operations (CSR discharge) employ a wide range of legitimisation strategies including image enhancement strategies, avoidance and deflection strategies and disclaimer strategies (Asare et al., 2021). One of these strategies as explained by Asare et al. (2021) is the establishing/and extending of image enhancement strategies in situations where the firm wants to establish legitimacy to maintain its social license to operate. We identified instances in the reports where the firms had intentions and policies to contribute to the well-being of employees, the environment, society, government, the community, and to operate responsibly. However, further scrutiny of their reports showed that these good intentions never materialised but remained on paper within the strategic accountability context. In this respect, the firms only established intents and strategies that were never operationalised. Below are some extracts from the empirical analysis to support the above:

For AngloGold, some of the statements were as follows:

We want the communities and societies in which we operate to be better off for AngloGold Ashanti having been there (AngloGold Sustainable Development Report, 2018, p.1)

We treat each other with dignity and respect (AngloGold Sustainable Development Report, 2018, p.1)

We respect the environment (AngloGold Sustainable Development Report, 2018, p.1)

Similarly, Tullow Oil Plc indicated that:

In 2018, Tullow undertook a series of benchmarking exercises to assess and review its position regarding climate change. The results of this analysis have been communicated and discussed with the Executive Team, and we are now working on a set of plans that will continually improve both our operational performance and transparency in this area (Tullow Oil Plc Annual Report, 2018, p.42)

Tullow continues to review and improve its Environmental and Social Impact Assessment (ESIA) work and uphold its stated commitment to not undertake operations in World Heritage Sites, in addition to robust screening of potential new projects against Protected Area Guidelines (Tullow Oil Plc Annual Report, 2018, p.42)

Having established the above, we probed further into the respective firms' sustainability reports for further evidence of the actual operationalisation and respective functional accountabilities on these issues. Thus, we sought further evidence into these statements above and how they were operationalised. Though we found no further evidence of respective performance, we are of the view that Tullow has demonstrated commitment to environmental stewardship and responsible operations. We, therefore, proceeded on this basis to inquire from the public stakeholders their views on the substantive issue under investigation.

Our conversations with the society indicated otherwise, thus, the practice of superficial and rhetoric CSR by these firms with the view to keep themselves and images in a positive light was imminent. In the interviews, we asked the society members to confirm the statements from AngloGold's Sustainable Development Report, 2018, p.1 and Tullow Oil plc's. Annual Report, 2018, p.42.

The extracts below summarise their responses:

....look at the level of land degradation, it's pathetic and heart-breaking, honestly, I can't come to terms with it....My God [being emotional]. Meanwhile, the extractive firms paint positive pictures about the environment, and they also state that they are environmentally responsible and friendly? They rather choose what they want to report, they think we're not aware (ITN 04).

These extractive companies have occupied our farming lands and fishing areas, hence depriving us of our normal way of life. However, the compensations they give is woefully not proportionate to what they take from us. Meanwhile, they talk about treating us with dignity and respect, this is not true....not to talk about their selective reporting (LCG 01).

My brother, we would have been better off without these mining companies, since all they do is exploiting and degrading our land...and when they finish, they select what story to tell. We should rather have kept the minerals in the belly of the earth, and now the oil companies have also come.... hmmm, double agony (MDA 03).

The rest of the interviewees also responded along these lines as above which confirms the fact that these extractive companies although may have good strategic intentions and objectives for CSR, these intentions and objectives are not fully operationalised as expected by the public. The interviewees' responses, therefore, indicate that the companies tend to engage in rhetoric CSR and

selective accountability by crafting crafty reports to suggest that all is well in the industry, but then the reverse is rather the case.

## SUMMARY CONTRIBUTIONS, AND IMPLICATIONS

The paper examined how CSR activities are manifested and the respective CSR accountabilities discharged in the extractives industry, which necessitated the following research questions.

- How are CSR activities manifested and discharged in the extractive industry?
- How has society's expectations been, regarding the sustainable discharge of CSR?

We answered these research questions by collecting data using the MOCA of respective firms' sustainability reports and corroborate the outcome with interviews with relevant stakeholders. First, we performed a MOCA on the sustainability reports of Tullow and AngloGold to ascertain how CSR activities manifest, delving deep into the respective issues to ascertain the CSR accountability discharge of these companies that represent the extractive industry. In this manner, we were able to collect data to answer our first research question. We proceeded with interviews with relevant public stakeholders on the respective CSR manifestations for corroborative evidence of the issues identified from the MOCA of the firms' sustainability reports, hence answering our second research question.

Our study unveiled that CSR in the extractive industry manifests in various forms particularly, in Safety and health, community development and shared prosperity, environmental stewardship and responsible operations. The investigations found contrasting views on all counts of the CSR accountability discharged between the extractive companies and the public. Thus, whilst the extractive companies maintain that they have discharged CSR creditably and fulfilled their obligations, the society, however, argued that the CSR discharge and accountability of the extractive companies are superficial, void and meaningless to them. This is because the public lamented that the firms did not operationalise their stated CSR policies targeted towards them and the environment in the manner that they said they will.

Rather, they only cosmetically practiced their CSR activities just to set themselves in a positive light and to gain the social license to operate. In this manner, the CSR practiced is nothing less than philanthropic and geared towards enhancing corporate reputation and visibility by any means possible.

We, therefore, argue that companies should not only report their strategic intentions and policies but also ensure respective discharge and consequent reporting of their entire CSR responsibilities for a holistic and sustainable CSR accountability.

We contribute to the CSR literature by specifically focusing on how CSR activities manifest and their respective accountability discharge in the extractives industry. The problem of CSR is broad and varied. While previous studies have approached the problem from a unidimensional methodological viewpoint, thus, either through interviews, questionnaires or content analysis (See (Akpan, 2006; Amponsah-Tawiah and Dartey-Baah, 2011; Amaeshi et al., 2016; Egbon et al., 2018)), we approached the problem from a multidimensional methodological viewpoint, using both content analysis and interviews, while corroborating our evidence from the companies with evidence from relevant public stakeholders in an emerging economy. In this respect, our study adds another dimension to the existing CSR literature on emerging economies and provides useful information and a reference point to industry on their CSR accountability strategies and subsequent implementation.

Based on our findings, which indicate a sharp contrast between the extractive firms CSR accountability accounts and the public's account, we advocate for a more pragmatic CSR order and further research in the extractive industry, particularly, in developing economies, that will delve deeper and wider into the inconsistency of the results from the companies and the public. We believe that further studies should be able to lay the issue to rest, whether the extractive companies practice what they preach and 'walk the talk'.

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