

CHAPTER TWO: Corporate Social Responsibility and Community Development: A Literature Review

Chapter one focused on problem and background of the study. This Chapter reviews various literature related to the study. The aim of this chapter was to give a clear and concise insight into the study through the views of other scholars, authors and publishers, who have written on the concept of Corporate Social Responsibility (CSR) and Community Development. The chapter explored various sources that deal with outlined objectives that include the emergence, meaning and basic overview of CSR, community development, CSR by mining companies in Zimbabwe, the role of CSR interventions in community development.

Given the magnitude of the impact of mining activities, most businesses often engage in CSR. Whether CSR is a marketing tool or is genuine is hard to determine. However, the study believes that CSR remains valuable to community development considering that the companies make a profit hence have the financial muscle to act. There are a lot of expectations that communities have from CSR initiatives by companies, chief among which is the expectation of socio-economic development of their host communities. Various interventions continue to be carried out by the operating companies, and these amounting to millions of dollars. However, the effectiveness of such interventions is not adequate and showing the required change as communities have remained under-developed. Therefore, the question of effectiveness of CSR programmes has remained a cause for concern. Chaneta (2013) argues that the requirement for socially responsible businesses has gained momentum. Managers' decisions and the operation of a company affect all its stakeholders, rather than just internally to its operations. CSR has thus become an integral part of a company in meeting its social, economic and environmental obligations. He further argues that it has become dominant as every corporation or company has a policy concerning CSR and produces reports on an annual basis, outlining the activities carried out during the year. The RioZim Foundation produces such statements annually highlighting all the CSR activities that the company would have undertaken.

CSR has no standing definition as it is an evolving concept that has not been universally standardised. It is interpreted in many ways that largely focus on the increasing concerns and welfare of societies. Bowen (1953) cited in Masato (2012) defined CSR as an obligation of the companies to pursue their policies, following their line of actions which are desirable in terms of values and objectives of society. In addition, all companies are responsible for their actions and such

responsibility goes beyond their financial obligations to the surrounding communities hence the importance of CSR. The general view is that a company's main objective is to make a profit but that its responsibility to society should even be more important than the financial gains. I agree with the author's views of companies having a responsibility towards the host communities as they are the one giving then an operation licence, this is making then socially responsible on all socio-economic issues within the communities.

Caroll and Shaban (2010) argue that when the concept of CSR started back in the 1950s there was not much link between CSR and business benefits. The focus was on the responsibilities that the business had to society and the generality of doing good works for the society. Although Levitt (1955) warned businesses during the period of the dangers of CSR, by the 1960s the concept of CSR was growing and taking shape, largely driven by social movements within the USA who were articulating on what CSR meant and what it implied to business. Since then, CSR has gone through evolutions over the years and is said to have stood the test of time as evidenced by a now well-developed management of the same (Smith, 2011). However, many mishaps have demonstrated the complications associated with CSR. The growth of CSR has not brought about intended changes within the host communities particularly in developing countries. The strategies that are put in place to address developmental issues remain inadequate. In addition, the author has largely focused on the USA which is self-developed, and CSR is therefore there to compliment government efforts. The situation is different with developing nations where CSR by companies is envisaged to bring about all the necessary development. There is need to look at factors that have caused the underdevelopment of the communities considering the amount of CSR programmes invested in. Furthermore, most of the CSR success stories are registered in the west. The MNCs operating in developing nations have largely focused on philanthropy as a strategy for community development.

To this end, Whellams (2007) contends that the public backlash by mainly western nations against the power levels and freedoms the Multi-National Companies (MNCs) had acquired because of the neo-liberal economic policies in the 1980s/1990s also increased the complications of CSR citing negative social and environmental impacts that the MNCs were having on developing nations. The importance of offering solutions to challenges was emphasised. However, there were limitations to these calls as regulations and interventions by governments were relatively low or non-existent. Wettstein (2005) argued that this was because governments, particularly in developing countries were in competition for Foreign Direct Investment (FDI), and that all that mattered was getting investment. Their attention therefore shifted from industry regulation thereby giving the MNCs

more power to operate freely without any limitations. It was the mandate of the MNCs to craft policies that moved away from the concept of only financial gain to that of including societal objectives (White, 2004). The result of this notion has been that most governments in developing countries still lack legal frameworks guiding the activities of CSR in society, instead companies engage their own CSR obligations as and when they can. The general feeling then is such a trend might be the result of challenges that CSR strategies by companies face in their quest for community development. Countries like South Africa has experienced an economic boom because of mining ventures, but the development of the host communities remains very low. The civil society organisations in that country are at constant loggerheads with mining corporations because of lack of the same. The prevailing reality looks as if mining is raking in huge profits while their host communities remain poor.

Bendel (2004) also argues that during the 1990s period, MNCs acquired a significant amount of power that has limited their accountability to this day. Evidence points that corporations are indeed powerful as can be measured by the influence they exert on both national and foreign policies because of control of the productive assets. However, the question of how much influence they have on development has remained unanswered (Whellams, 2007). Taking into consideration the amount of CSR vis-à-vis developmental achievements, the fact that companies are all about financial gains therefore holds water. This is alluded to by Johnson and Scholes (2002) who argue that CSR is concerned with ways that a business carries out its obligations to its stakeholders which includes the communities and society at large. This is done through the act of corporate governance which according to The World Business Council for Sustainable Development (2005) sees CSR as the continuous commitment by business to carry out its duties ethically and contributing to economic development while also improving on the life of its workers, their families and that of the local community. Freeman (1984;46) states that during the industrial revolution, workers were largely treated as tools of the business, they had no rights, however as the need to invest gained momentum, there was a need to increase shareholders thereby increasing the number of stakeholders. This notion is attributed to in the Stakeholder theory as it analyses the concept of CSR propounded by Freeman in 1984.

The authors largely agree that businesses have indeed an obligation with regards to development of communities. However, evidence on the ground in most host communities state otherwise. CSR by businesses therefore continues to be seen as not benefiting them. Businesses undermine the mandate of CSR to focus more on profits. On this note, the same is evident in Nyajena community whereby the presence of a multi-million-dollar gold mining project seems to have failed to

achieve any developmental achievements since the company started operations in 1982.

Considering this assertion, Sepativ (2009) describes today's CSR as needing corporations to be encouraged to take more responsibility for their actions as failure to do so have resulted in communities failing to develop. This is so, as CSR has changed to one of being more accountable and incorporating its activities as part of the bigger plan. The author's observation therefore stresses the point of the importance of businesses not to separate its operations and its obligation to the host communities as CSR plans play a big part in profit making in the long run. In addition, Hohnen (2007) regards the failure of a business to having good CSR often resulting in bad reputation whereas good reputation promotes both the image and the products of the company. To this end the effects of a tarnished reputation as alluded to by Hohnen results in loss or reduced market positions due to questionable behaviour. Hence, to regain original status, time and resources are used, which could otherwise be channelled in developmental projects. Generally, CSR is about sensitivity of both the society and the environment and creating a credible corporate behaviour. The author's concentration was on human side of a business; however, the part of balancing operations and CSR has been overlooked hence it is the most important factor in community development. This is because the operations of a business have a bearing on the outcome of CSR interventions. To this end companies then resort to using CSR as a marketing and public relations tool in trying to convince the public of its mandate. Renco Mine through the RioZim Foundation publishes its CSR activities in the Nyajena community, convincing the public and other stakeholder of their achievement in community development.

With regards to Hohnen's views, Rangan (2012) asserts that an organisation's failure to engage in CSR paints the company in a bad picture. It is portrayed as insensitive to the welfare of its stakeholders. In addition, Rangan described how some companies have turned CSR initiatives into public relations and marketing campaigns. He states that CSR has been captured under many banners that include philanthropy and corporate citizenship. Each one carries a particular perspective on the role of business in the society and communities at large. Its importance is that even though the number of companies that are committing to CSR world-wide are increasing, many of them lack the strategic approach to CSR. With the continued increase of CSR by businesses, one would envisage a situation where its mandate has already been met. Rather they practice an ad-hoc type of CSR that is carried out for a specific reason. Furthermore, as a cover up, they engage in philanthropic acts of donations and charity to ensure that its business operations continue to have support and a social licence of operating from their

local communities. Businesses are therefore well aware of the importance of maintaining goodwill in the host communities. Thus, some CSR initiatives are largely image maintenance.

Rangan (*ibid.*) further states that although philanthropic, giving is not a bad thing in itself, but some companies use it as a way of avoiding long-term commitments. Companies like Coca-Cola world-wide, annually contribute up to \$88 million to a variety of organisations and causes. Microsoft, through the Melinda/Bill Gates Foundation also contributes and donates up to \$300 million in soft-ware products across the globe. Some philanthropic CSR campaigns are for repairing the damaged image of a company. To this end Rangan's views qualify that communities remain under-developed because of philanthropic CSR projects by companies. A substantial percentage of Renco Mine's projects account for hand-outs and unsustainable programmes that the company has been engaged in since it started its operations. Those regarded as developmental are rather few and far between. I therefore, agree with the author that philanthropy is the most used CSR initiative by most companies as they try to limit funding by engaging in once off projects.

A report by EUCAM (2009) argued that there are businesses such as those in the alcohol and tobacco industries who are mainly into CSR as a campaign to improve the image of the company. WHO (2003), in a report entitled Tobacco Industry and CSR, argues that such campaigns serve the purpose of creating the appearance that the tobacco companies are offering solutions to the problem of smoking, yet they are detracting attention to the actual problem by engaging in Cause Marketing CSR. The focus for Cause Marketing CSR is to attract new customers and increase sales. Businesses are focusing more on those stakeholders who have the capacity to influence the business. Therefore, businesses are more concerned about shareholders than consumers and employees and are even less concerned about the society and the environment despite some attention to them Anghel (2004) quoting Crowther (2004). In addition, CSR as a public relations/marketing tool helps a business to green wash the company's image and to cover up negative impacts by saturating the media with all the positive images of the business. CSR credentials are embedded in the business's ability to claim progress or success regardless of lack of evidence of verifiable change (Corporate Watch, 2010). There is therefore a connotation of companies to move away from marketing/public relations tactics to be more accountable to programmes that are focused on development. In achieving such, CSR programmes therefore need to be aligned to developmental goals and objectives of a company and the community.

In view of this, Hermann (2004) agrees that to reach the community development goals, each CSR programme needs to be designed in accordance with the needs of the community for them to be effective and result in sustainable development. However, he also observed that most CSR programmes are not community oriented as they mainly focus on environmental issues and less on the socio-economic impacts. This is because of the legal connotations linked to environmental impacts by mining companies. Unlike other manufacturing processes mining has varying negative impacts on the host communities. Such impacts are often taken into the company's policies, stating their importance of addressing such issues. The intention of the companies is to turn the negative impacts into positive by applying or coming up with programmes that reduce the impacts and others that benefit the community. At Renco Mine, as a way of addressing contamination of water sources, water is treated and diverted to use in gardens and in some cases fish farming ventures. However, in my view, this is taken seriously as environmental issues remain sensitive to the mining operations. This also benefits the local community in that they now have a ready source of water to irrigate their gardens in a setting where it would have been near impossible to harness the water from natural sources.

CSR and community development remain very important in the mining industry. It has implications on communities in many ways. Littlewood (2014) points out that CSR is one of the most important factors of community development, its role has both an indirect and direct benefit to the communities as corporations commit themselves socially. CSR brings together the community and the corporation and further strengthens the corporation's operations in that community. It has been argued that the aim of a company's CSR is mainly to create better standards of living for the community of operations while making profits for the company and its stakeholders. In Tanzania, mining MNCs have had a big impact on community development as evidenced by the expenditure between 2008 and 2009. In the same period CSR projects amounted to \$12,3 and \$11,5 million respectively with most going to health and education (TIR, 2011). Tanzania is one of the African countries with vast mineral deposits mined by MNCs in that country. However, it is characterised by high poverty levels in most of its mining communities. However, the mining companies have spent millions of dollars in projects for poverty alleviation and community development, but mining communities are severely underdeveloped. The amount indicated by the TIR report is evidence that large amounts are being channelled to CSR for community development in education and health sectors have not made any significant development.

Research by Maphosa (2007) found that in Zimbabwe, the mining sector has been engaging in various CSR programmes that include a platform for compensation for the environmental and social costs that are associated with mining. However, the programmes and projects are largely philanthropic in nature hence they have created a dependency syndrome. These programmes and projects are seen as a means through which mining companies can actively give back to the community they operate in. In doing so mining companies have established better relations with the local communities as lack of such relations have been witnessed to cause delays in mining projects. Welford (2004) agrees that despite the benefits of CSR programmes, there are various challenges that are not adequately addressed to realise community development. In some cases, CSR programmes are often seen as part of a company's public relations tool or a strategy. Thus, CSR programmes have largely failed to benefit their communities of operations but are serving as an image booster for the companies. In a study by Mandina (2012), it was established that Unki Platinum mine boasts of having funded various projects within the mining town of Shurugwi and its surroundings. Evidence is that, although noble, the projects are dotted around and are benefitting a few in the communities. The pressure coming from the IEEA policy in the form of Community Share Ownership Trusts are attributed to the mine taking heed of community development. However, this is the trend with most mining houses. The same applies to Mimosa mine that has forcefully been made to adopt and implement CSR programmes relevant to the people of Zvishavane communities. This came about as an investigation by the government through the Ministry of Mines established that Mimosa Platinum Mine was stalling on the IEEA guidelines (Madzvamuse, 2011). RioZim group of companies are not affected by the CSOTs because of their declaration that they are a wholly owned Zimbabwean company. Therefore, are not under the IEEA category.

Thulkanam (2014) asserts that CSR programmes are often not adequately funded and when they are, the allocation is usually limited to smaller projects that do not bring about any meaningful development. In addition, some projects create dependency since the community will be, on an on-going basis, looking at the contribution of the company thereby totally ignoring the government's own contribution to community development. In most cases the company is approached to embark on programmes that are envisaged to create development. According to Virah-Sawmy (2015), CSR is viewed as a way of giving back what has been taken away from the community hence the community's stance of making the companies the sole providers of developmental interventions. In fact, the communities are getting little positive returns. Despite being popular particularly in the mining industry, CSR has failed to live up to its mandate of contributing to the socio-economic development of their areas of operations. There is a sharp

contradiction between the commitments of CSR and its actual performance, this is because CSR programmes are treated as donations with the aim of the companies securing operating licences and legitimising their presence in the community.

Even though mining companies are aware that issues of poor CSR programmes do exist, they have failed to invest in more sustainable projects that enhance community development. Hamann (2004) asserts that mining communities tend to suffer worse under-development because of the socio-cultural and environmental costs attached to mining. This is often referred to as resource curse because the mineral extraction wealth has failed to contribute to the economic development of mining communities. Friedman (1970) criticised the CSR by arguing that corporations do not have a social conscience but are mainly about making a profit.

Moreover, in Zimbabwe, mining is seen as a driver for enhancing rural community development since that is where most of the mines are situated. However, the absence of a framework to give direction to CSR activities has led to failure of community development in mining communities. According to Masawi (2014), lack of a legal framework has resulted in communities failing to benefit from the exploration of the vast minerals within their communities. This is despite the Zimbabwe Chamber of Mines and the government's advocacy for an approach that is participatory in coming up with projects and programmes that benefit communities long after the closure of the mines. This has happened to mining giants such as Mhangura, Empress, Mashava and Kamativi mines. Their premature closure has left the surrounding communities vulnerable, turning once vibrant communities into ghost towns and villages. This is because the community lack the capacity to carry on without the help of the mines and the nature of the projects. This brings into perspective the issue of sustainability. Where CSR programmes are community development oriented, they are largely sustainable in the long run. However, where they are philanthropic, the end of a mining venture spells demise to the communities. In addition, dependency of communities on the mine contributes their lack of carrying on thereby driving them back into poverty and persistent underdevelopment.

Mining corporations often ignore the fact that a mining venture has a beginning and an end. Maphosa (1997), in a report on effectiveness of CSR in Zimbabwe, concluded that if there is no framework to guide mining activities, social issues will always be relegated to the periphery. I agree with the author as one of the contributing factors of persistent under-development is the absence of guiding legal framework. The importance of a legal framework remains an important tool

to community development by companies, the lack of it has resulted in the siphoning out of resources, leaving the host communities in worse off situations than before. The work of the scholars in this literature review acknowledge that the concept of Corporate Social Responsibility's time has come, in terms of community development. It is all about a company's concern to being sensitive to the needs of the community.

To fully understand community development, it is important to describe its origin. Community development has been part of development and is characterised by both successes and failures. As part of the decolonisation and independence, governments and the United Nations have been at the forefront to alleviate poverty in poor countries. Community development gained prominence in the 1960s as part of the modernisation theory. According to Prinsloo et al in Marais (2010), the early approaches of community development were largely top down as they took place in the form of state programmes that the poor were encouraged to take part in. To this end, this kind of participation did not mean involvement but participated in programmes initiated by government and other agencies. Against this notion, Cavey (nd) regards community development as a process that is mainly conducted by community members by letting the locals create opportunities thereby helping the community to be self-sustained.

Pyakrya (nd) has suggested that community development is a strategy used in rural development and is viewed as a "self-help-approach" to rural development by implementing programmes that bring about a change that is deemed desirable. Many efforts for community development are mainly put in place to help communities to understand what is happening and understand some of the choices they must face to achieve the type of community they desire. Bullen (2001) contends that community development is also about the capacities for people to collectively work together in addressing their common interest. Such common interest can only be achieved by building community capacity. Furthermore, it is the extent to which a community may or can develop, implement and sustain the actions that allow it to apply greater control over its physical, economic, social, environmental and cultural actions to foster positive change. Cavey (nd) asserts that because of community development, communities are placed in charge of their own development by defining their own needs and coming up with solutions to the identified problems at times with the assistance of an organisation. Pittaway and Swan (2012) contend that community development is an on-going process involving various projects and programmes along the way. Ife (2006) cited in Swan postulates that there are key principles to community development that include holism, sustainability, diversity,

organic development, balanced development, dressing structural inequalities and neutrality among others.

The authors here concur that community development is a process of moving from one stage to the other through various interventions. CSR is one such intervention that is envisaged to create community development. As indicated, community development is largely rural development and since mining operations are rural based, it is therefore critical for CSR initiatives to be developmental oriented in its programming.

Ife (2006) agrees that the process of community development is to facilitate in the application of various principles to guide a flexible series of actions that are appropriate to the development of a community. However, the models and frameworks for community development processes may not progress through the same stages. Waweru (2002) agrees that the most important stage of community development is community preparedness, thus communities should be prepared to receive development. Furthermore, some do not have many ingredients for success. This can be attributed to lack of the requisite resources within the community for development purposes. In Nyajena, the community is endowed with the gold mineral that is seen as an ingredient for development of the area. This is so because the company operating in the area should share its proceeds by investing back into the community through projects that bring about development. However, this has not happened with most CSR interventions, by companies have largely failed to develop the areas because of various factors, most importantly due to philanthropy and lack of community involvement.

Waweru (*ibid.*) further argues that community development involves working with the people and not working for them by provision of opportunities that improve people's lives, establishing relationships between the community and building and strengthening capacities so that they can oversee their own development. This would include the creation of suitable conditions to facilitate development process for the community including its active participation. However, local communities are excluded from participating in matters that concern them. On this note I agree with the author that the importance of community participation results in choosing projects that suit the community and therefore sustainable in the long run. Incorporating ideas from the grassroots level are an important part of sustainable community development. This study will establish if Renco Mine engages the community and how the level of engagement has contributed to the lack of effectiveness of CSR.

In another perspective, Ife (2002) postulates that community development involves assistance given to help to articulate the people's needs and acting accordingly to meet those needs that results in the desired change through various interventions. Mulwa (2010) agrees that for the desired change to be successful, community development initiatives should be authentic. This is supported by Waweru (2010) who asserts that a home-grown community development initiative or plan has more chances of succeeding as it will consider the needs of the local people and is referred to as balanced development. It focuses on development of the people by the people for the people using resources that are locally available and indigenous knowledge to authenticate sustainable development. Waweru agrees that authentic or genuine community development results in empowerment, transformation and broad participation of all segments of the community that may, among others, include the marginalised. Mulwa (2010) postulates that this would require recognising and strengthening their ability to identify what they need and how to meet the needs from development stakeholders. In this case, social capital becomes an integral part of community development.

This statement qualifies the notion that the resources that are readily available (social capital) within the community may determine the outcomes of development. Social capital is that which the community has at its disposal and can be used to better the lives of the locals. In the case of Nyajena, the social capital is the gold mined by Renco Mine. It has managed to create employment and better some conditions within the mining communities. However, with the value attached to this particular social capital one still wonders why development is lacking in Nyajena. The importance of social capital is emphasised more by Kay (2005) who stresses that social capital commonly is centred on the stocks of social trust, norms and networks that people can draw upon to solve common problems. It consists of resources within communities which are created through trust, shared norms of behaviour, commitment and belonging and effective information channels which may be used productively by individuals and groups to facilitate actions to benefit the community. As with other forms of capital, social capital exists as a stock or fund and a resource that can be used for community development. Coleman (1990) in addition, agrees that social capital is productive in that it is possible to achieve what would normally have been impossible to achieve in its absence. In addition, Putnam (2001) adds that social capital binds a community together and enables actions for the benefit of the community. This study agrees with these statements by both authors as social capital belongs to everyone in the community and therefore should benefit all. It is also imperative for those in control of the social capital to ensure it creates development in the host communities.

However, De Fillipis (2001) has argued that social capital in community development has remained a myth as it has failed to recognise issues of power in the development of communities. In contrast Guzman and Auspos (2001) both agree that social capital has contributed to community development. This study agrees with De Fillipis' because indeed social capital has failed to benefit the custodians of such capital as evidenced by persistent underdevelopment of the communities. It means that those managing or controlling the social capital are benefitting at the expense of the rightful owners, the community. Furthermore, this study does not agree with Guzman and Auspos' sentiments. They failed to bring in evidence of specific communities that have developed because of the social capital, hence the Zimbabwean policy on indigenisation and economic empowerment is laudable in this case as it states that communities must develop using the resources that are readily available in the areas. This has been further argued by Putnam (2000) cited in DeFillipis who says that communities hold stock of social capital and therefore should translate into economic community development and community change through project interventions.

In the literature of community development, most of scholars agree that community development is an effective mechanism for reducing poverty and other social inequalities by achieving immediate and long-lasting results at grass roots level. Earle et al (2003) describes how the process of community development has been seen to increase efficiency in efforts to reduce poverty. Well-designed programmes for community development are inclusive of the poor and vulnerable, they also build positive social capital that gives them more power in their communities. Projects and programmes as postulated by Putnam (2000), are more likely to be a success and maintained if the custodians of the development initiatives allow for community participation and therefore community development.

The study agrees that the issues of community development centres on the resources available within the area. Nyajena communities are one of the poorest areas in Masvingo South District and the interventions by Renco Mine in its quest for community development have failed to attain development because of various factors. To this end, these resources are not benefitting this community fully as there is still persistent underdevelopment.

CSR by mining companies in Zimbabwe has gained momentum particularly during the last recent years with the introduction of the Indigenisation and Economic Empowerment Act of 2008. The fulfilment for social responsibility in the communities of operations by mining companies is now considered a mandate for all mining companies which must develop the communities in the locality of

their operations. According to Mawere (2015), mining accounts for 5% of the country's gross domestic product and accounts for 4,5% of employment and a 1/3 of all foreign currency earnings. It is regarded as a very lucrative business with vast opportunities for investment. Of all the minerals mined in Zimbabwe, gold, platinum, chrome and diamond remain the backbone of the economy. However, Masawi (2014), agrees that Zimbabwe is the second largest miner of platinum after South Africa in the world. The major platinum mining companies in Zimbabwe are Mimosa, Zimplats and Unki mines which are all foreign owned. However, gold is the most mined mineral in Zimbabwe, both at large and small scale. Artisanal mining or small-scale mining popularly known as "*chikorokoza*" has become big in Zimbabwe with operations dotted right around the country. Although not legally recognised, they have contributed to 10% of the country's gold output (The Chronicle; February, 2016). Gold remains the biggest earner in Zimbabwe now mainly because the diamond mining that started in 2006 in Marange is not performing well due to various problems that range from production, marketing and authenticity. The diamond mining in Zimbabwe has been short lived as a result. Mawere (*ibid.*) described the Marange diamond fields as the biggest diamond find of the century.

Chimonyo *et al* (2012) postulates that diamond mining that started as an illegal activity mainly carried out by the community members of Marange in their quest for alternative sources of livelihood soon attracted the attention of the international community. Since then, it was put under commercial business with diamond revenue expected to be at \$1 million per month. Rogers (2008) posits that the collapse of the diamond mining has had negative outcomes for the country and the communities of operation due to the collapse in revenue. Furthermore, it has also contributed to the collapse of CSR programmes in the communities of operations. Similarly, the collapse of CSR interventions such as maintenance of social utilities has left a big void on the community of Marange that have for years been depending on such services. In my view the Marange situation is an indication that CSR projects are not well structured to carry on at the closure of the mine. Instead, they have left communities in worse off conditions due to dependency created by these CSR interventions.

CSR by mining companies in Zimbabwe is taken seriously as most mines are in rural areas where there are high levels of poverty and therefore under-developed. KPMG (2015) postulates that presently the eye is on platinum mining companies to foster community development in the areas of operations through the Community Share Ownership Trusts as contained in the Indigenisation and Economic Empowerment Act of 2008. However, Chimonyo (*ibid.*) contends that it is unfortunate that there are only three of these mines as this means

development will only cover a small area while the rest remains underdeveloped. Chamber of Mines Report (2015) postulates that the mining sector's contribution to community and societal development has gone beyond taxes as evidenced by the development of the small mining towns around the country. Mining, through social responsibilities, has given birth to small towns like Shurugwi, Kwekwe, Mhangura, Bindura, Zvishavane, Hwange and Mvuma among others. These towns have been instrumental in bringing change to the remote areas that previously lacked the basic social services due to lack of development. The report describes how the mining sector has been instrumental in coming up with projects that have seen communities getting clean water, employment, roads, rail, communication, bridges, dams, hospitals and schools. As such Carroll (2004) regards the roots of the concept of CSR as focusing on the concerns of society hence it is seen as the business' duty to bring about positive change to these communities.

Kakava *et al* (2013) have argued that CSR activities by mining companies in Zimbabwe concentrate on philanthropic activities that have short term solutions with short lived benefits. Wood (2010) further argues that CSR has been around for close to 45 years, yet it has remained largely charitable with mining companies using the CSR initiative to suite their own needs. The author has failed to indicate that the continuous ineffectiveness after so many years is largely due to the absence of legal frameworks. Even with pressure to conform, mining companies will still implement CSR strategies of their choice and that do not engage the community thereby unsustainable development. Renco Mine, having been in operation in Nyajena for more than 30 years has not attained community development besides having ploughed in millions of dollars for community development ventures. It was therefore the gist of the study to discover the factors limiting the full realisation of community development through CSR interventions by Renco Mine in Nyajena.

The companies' contribution to community development remains questionable. Holmes (1976) cited in Kakava (2013) found it negative that mining companies were making good financial gains but not doing much to address social problems. He further noted that the efforts by mining companies are targeted at vulnerable individuals, households and groups that rely on charitable hand-outs. This has resulted in mining companies coming under pressure as their CSR mandates are placed under great scrutiny. It must be elaborated that such "scrutiny" has been because of evident persistent lack of development in communities where mining operations are. Nyajena is also affected by persistent underdevelopment besides the presence of a big mining company operating in the area.

Mining companies like Unki constantly engage in various CSR activities in Shurugwi and Gweru area since 2009. These include philanthropic projects comprising of water and sanitation, resettlement of displaced villagers, health and education projects, employment of locals and complying with the Indigenisation and Economic and Empowerment Act of 2008. Mandina (2012) reports that Unki mine has spent close to \$1million in community projects. However, The Sunday News (September; 2012) report that besides these huge amounts, the locals in the Shurugwi area still experiencing lack of housing due to displacements paving way for the mining venture. The houses donated by the mine were not enough in addition to impact on the environment. Such shortfalls have added to the speculation that companies use CSR programmes as a window dressing. Therefore in some cases CSR initiatives are largely seen as a company image enhancer. Belie in Mandina (2012) agrees that a good corporate image backs up the corporate culture and goes on to say that a good image establishes trust and loyalty, serves as an efficient marketing tool and is important in increasing business opportunities. Frito (2009) agrees with Belie that today's businesses are getting involved in CSR to enhance their corporate image.

The authors' views are a true reflection of the situation with CSR by mining companies. The interventions used for community development have been seen as image enhancers. The Renco Mine situation is an indication of such interventions, on paper, the company appears to have done a lot in terms of community development but the situation on the ground indicates otherwise. My view is if the CSR strategies were not window dressers, then full community development would have been realised. The CSR interventions by Renco Mine are also in this category as indicated by their failure to fully realise community development in Nyajena.

Masawi (2014) describes the mining industry in Zimbabwe as key in facilitating development and economic transformation. By virtue of being in rural communities, mining companies in Zimbabwe remain drivers of community development and have been for the past 100 years. In addition, he argues that CSR is not a new phenomenon in the mining industry but has however failed to move from being donations driven to sustainable development oriented. There is lack of development programmes where all key stakeholders play their role in designing a shared vision of community development that run beyond the life span of the mining projects. This statement is supported by Gapare in Masawi (2014) who agreed that the ceasing of operations by mining companies such as Mhangura, Empress and Kamativi in Zimbabwe has had a negative impact on the local communities as they had developed a culture of hand-outs from these mining companies. Hence, they have found it hard to carry on without the

company's help. Masawi also agreed that mining companies have created a dependency situation that leaves communities vulnerable at the end of mining projects. He further argues that sustainable development can only be achieved when mining companies, during their operations, focus on promoting sustainable projects that lessen the dependency syndrome and that will ensure continuity long after the mines have ceased operations. He further lamented that this can be achieved through economic opportunities that allow for community participation. Mhlongo (2016) commented that lack of community engagement has resulted in half-baked projects by mining companies. As a result, the community never took charge, proving that the mining companies lack an internal institutional framework for CSR.

Baxter (2014) in Masawi (2014) indicates that RioZim, Mimosa and Zimplats claim to have moved away from the donations' syndrome to promotion of self-reliance by investing in projects that bring about positive development of rural communities. They firstly engaged the community on what they would like to see the mines do for them to bring about development in their communities.

This statement has shed light on the mining corporations' CSR programmes. Since they are already aware that they are currently engaging in projects that are not development oriented is an indication that their CSR strategies cannot attain development. I also argue that if community consultations had taken place, the mining communities would have realised development by now. This is taking into consideration the number of years in operation and the amount of funding channelled towards CSR programmes for community development.

Bassler (2008) contends that community members are engaged when they play a role that is meaningful in the discussion, deliberations, decision making and implementation of programmes or projects affecting them. The benefits of community engagement will likely increase the chance of a project being accepted as members who participate in these processes would be committed in the success of the project. Furthermore, he agrees that it will also result in effective solutions drawn from local knowledge and help create local networks of community members. The more the people who are aware of what is going on the more an intervention is going to be a success. For this reason the study feels that lack of community engagement may result in shunning away of a project as the community will not fully own it. Maphosa (1997) reviewed this engagement as needing a legal framework to foster CSR activities as lack of such only means that CSR issues are relegated to the periphery. In addition, big mining corporations such as RioZim have publicly recognised CSR initiatives that are community based and that ensure community participation. However, other mining companies have

not reached the stage where RioZim is. He also argues that Zimplats also boasts of having put CSR investment by fostering projects that are community based that include community social projects like education, health, infrastructure, housing, water, humanitarian needs.

Given the magnitude of these projects, it is disturbing to see that these interventions have failed to effectively develop the communities thereby going back to window dressing CSR initiatives. Hooge (2014) describes the growing focus on mining and CSR as urgently needing a legal framework that will ensure that mining companies contribute to the socio-economic development of host communities. CSR is seen as a licence for allowing businesses to operate without disruptions. Corporations are aware that showing a vested interest in the communities adjacent to their mining operations or on whose land they may be operating is one way of alleviating tensions with local communities. It does not only show stewardship but also recognises the community's expectations that it will in some ways, be compensated for challenges encountered or brought about by the mining venture (www.tripleunidt.com; 2009). In my view CSR is being implemented but it is not meeting the degree of development, instead has resorted more on hand-outs as Nyajena community is experiencing the same from Renco Mine.

Hamann and Kapelus (2011) argue that the mining industry's increased use of CSR as a means of avoiding social tensions is not without its weaknesses. They argue that CSR is largely about green wash in which mining companies are often accused of putting forth a concerned image without significant change to socially harmful business practices. In Zimbabwe these views have been reinforced by lack of consistent efforts and mandatory requirements that ensures that the community is compensated accordingly. This has made mining companies invest little or nothing given that CSR is a voluntary act, not a legal requirement.

Chimonyo (2012) confirms that since 2006, in a bid to operate without disruptions, Mbada diamonds, has been engaging in various CSR activities in line with its operations in Marange. The major impacts brought about by diamond mining in Marange includes displacements of the locals, environmental impacts, loss of livelihoods, health and education systems disruption. Mbada Diamonds Corporate CSR Report (2012) contends that the company sought to address these impacts through its community engagement by employing the locals, building health and education facilities, houses, borehole drilling and roads even though the number of houses built were not enough for all the displaced families. Chimonyo further argues that the focus was mainly on those directly affected, meaning that the community has not benefitted from Mbada's CSR projects. However, the

company was also active in sponsorship of sports and higher and tertiary education by rescuing the nearly collapsed Metallurgy department at the University of Zimbabwe.

The CSR programmes by Mbada Diamonds, although noble, are an indication that most of these interventions are philanthropic and once off. The author does not mention that such projects such as the refurbishment of UZ Metallurgy department needed more than resuscitation but setting up of a project that will ensure continuity to be self- sustainable. The limitations on the CSR programmes is that they have largely been philanthropic hence, they have failed to bring in development to the Marange area.

The question of so many projects not bringing in development to host communities therefore still remains. They have largely remained ineffective besides the monetary value attached to them. Muranda (2012) regards this notion by pointing out that the distribution of mining revenue remains vague and questionable despite the sector carrying out such big investments in CSR projects. Mining in Zimbabwe has become the fastest growing sector since 2009. However, lack of transparency and accountability in the revenue generated from mining is a major challenge as it is not known whether the investment for development tallies with community development in the areas from where these minerals are coming. Maphosa (1997) earlier indicated that such accountability required a legal framework to measure CSR development. He further laments that if there is no legal framework CSR activities will continue to be overlooked. Masawi (2014) also agreed with this notion that projects by mining companies in Zimbabwe remain largely philanthropic and unsustainable. With the continuous closure of mines in Zimbabwe in the past years, communities are bearing the brunt as they are failing to cope with the usual assistance from the companies.

Madzvamuse (2010) agrees with Maphosa (1997) that mining companies, particularly in Southern Africa are used to operating in secret by keeping communities in the dark about their activities. Zimbabwe's platinum giants, Ngezi and Mimosa were put under the spotlight when a report investigating their activities highlighted its concerns over the extent to which these companies were contributing to the development of local communities considering the country's weak regulatory frameworks and enforcement capacities. The problem of double standards proved to be a major highlight where MNCs operate differently in their home countries and in their foreign operations. The same report observed that CSR is limited to the mine workers only since the community surrounding Ngezi and Mimosa are largely ignored. This is notwithstanding the critical role that mining plays in Zimbabwe's economic and social development.

This notion becomes relevant particularly during this time of economic turmoil in Zimbabwe. The government stalled most development activities when the economy took a downturn in post ESAP era. To this day most rural communities remain underdeveloped. It is therefore important for mining companies in Zimbabwe to fill the gap that has been left by the government by robustly investing in the host communities. This can be achieved by shifting from donation related projects to more sustainable ones. I feel that the author should have pointed out this weakness of the importance of companies to declare their dividends and ensure a fair part is allocated to community development. However, issues of transparency and accountability remain unclear in the IEEA bill even though the President has made several calls of the same. He was quoted at a mining indaba in 2015 with the following statement:

"...for the country to fully benefit from the mining sector, government will maintain reforms that enhance transparency and accountability". (Segula; nd).

Mining industries remain a major economic booster in Zimbabwe, it is not a bad industry per se. Mining contributes to economic development. However, there is need to formulate regulations that move away from focusing on profit only and have CSR initiatives that are development oriented by strengthening the social and environmental regulations of mining activities and the rights of the communities affected by mining. I agree with most authors who have established that, indeed mining companies are engaged in CSR activities for community development but most of these activities are basically window dressers that have failed to bring about development to host communities. Considering the Nyajena case, Renco Mine has been in operation for more than 30 years in the area and have undertaken various CSR interventions for community development. Evidence is, the area remains one of the poorest in Masvingo South.

To fully understand the role played by mining companies in community development it is important to understand why mining companies are engaging in CSR activities. Mathatha (2011) has noted that the CSR role comes about as a way of mitigating against the negative impacts that mining ventures bring. As already pointed out from a community's view, CSR programmes by mining companies provide a mechanism of compensation for the social and environmental costs associated with mining (www.miningfacts.org, 2008). These costs are usually linked to the environmental, social and economic impacts brought about by the mining operations. In addition, CSR projects and programmes bring to the community a means through which a community can be involved in the intended projects. Furthermore, since CSR local communities may not directly benefit from the mining concern, it is the CSR programmes that create a means through which a mining corporation can actively give back to the community of operations (www.miningfacts.org, 2008). It must be emphasised that communities' benefit

from the mining ventures is mainly through CSR initiatives. In Nyajena this has been evidenced by the role that the mine has undertaken in implementing projects that are envisaged to develop the area. This study will establish the factors limiting CSR interventions by Renco Mine in fully realising community development.

Mining operations result in environmental degradation which is one of the major concerns of community development. The impacts of mining on the environment include noise, dust water pollution, removal of vegetation, soil contamination mainly because of mining wastes and chemicals used in the process of mining. Mining companies have been known to have worsened the livelihoods of the communities due to the mentioned environmental impacts. Most importantly agriculture remains the most affected by mining operations. However, to address these impacts through their CSR initiatives, mining companies have come up with various strategies to use water from the mine in projects such as market gardening and fish farming among others.

However, intervention programmes such as fish farming and market gardening are a way of addressing the negative impact by creating positive outcomes that are development oriented. The role of CSR has good intentions in this case but what the authors did not mention is to what extent the projects have contributed to community development. How many members of the community are benefitting from such ventures and have livelihoods restored. This is taking into consideration that Mathabatha (2012) agreed that mining operations rob the community of their livelihoods. Nyajena Area depends on livelihoods from agriculture which has been impacted by mining operations. It is therefore the purpose of this study to unearth the factors limiting CSR interventions by Renco Mine for community development. This is considering that Renco Mine's CSR interventions have also included agriculture as part of community development.

It has also been argued that what the mine takes from the community is compensated through CSR. The World Bank (2002) views CSR by mining companies as a give and take scenario whereby both the mining venture and the community derive some benefits. Mining companies benefit from the CSR programmes in many ways, they help by building good relations with the local communities they operate in, thereby maintaining peace and social licence. The Financial Gazette (May, 2013) agrees with this view that mining company's social licence to operate is one that is easy to obtain but not necessarily easy to maintain. I also agree that maintaining the social licence has proven difficult for mining companies. This is because of failure to commit fully to the needs of the host communities. There is always that issue of companies not doing enough for

community development. The result is that communities view the company as an enemy trying to siphon out their resources without compensation. In the same vein, strained relations have in often cases called for government interventions as is the case of Mimosa Platinum Mine in Zvishavane. According to Madzvamuse (2010) the government called for an investigation to establish the transparency and accountability of the mine's funds. This came about as the company was failing to meet its CSOT obligations.

The role of CSR is mostly geared towards knowing what the community gains from the various CSR initiatives and activities. Generally, the presence of a business concern, particularly MNCs, creates prospects for a better and improved life to the host communities which can be achieved through CSR interventions. In addition CSR initiatives go beyond the business's legal obligations, meaning that community development because of CSR initiatives is regarded as voluntary or philanthropic (Johannes, 2010). Akpan (2006) in supporting this notion argues that it is regarded as voluntary as the companies choose to integrate the environmental, social and economic concerns of the community into their business to bring about change to the community. However, for such changes to be effective there is always need for community engagement which unfortunately has been undermined or ignored in most instances (Johannes, 2010). I agree with this view which centres on the importance of community engagement. Community engagement for effectiveness of CSR programmes cannot be over-emphasised in community development. The need for communities to shape and determine their own development through CSR interventions has been often undermined or ignored hence it determines the success and failure of the interventions. Nyajena is affected by project interventions imposed willy-nilly by the mine. This study will therefore find out how imposition and lack of community engagement as a role by the company has undermined community development.

It has been established that CSR programmes are designed in isolation of the community. Akpan (*ibid.*) therefore contends that CSR programmes are often not conceived and developed from the host communities but rather from external operations, this is particularly true for MNC mining companies. They tend to treat communities in a homogenous manner by bringing CSR practised initiatives elsewhere. This often happens because, the companies as the holders of the funds, dictate the pace of community development projects. Ismail (2009) agrees that it is undeniable that CSR has implications on community development. He refers to the following roles as the most common for CSR by mining companies in community development. Since community development is based on principles of fairness, equality, accountability, participation, true development is therefore

facilitated when the community members engage together in solidarity (Towers Perrin, 2009). CSR helps in reducing the negative impact of industrialisation by engaging in ethical business. In addition, it encourages closer ties between corporations and community as it helps in reinstating the belief that companies are not just places to get employment (UN Global Compact, 2009).

Mensah (2014) agrees that in addition to employment, companies also have a duty of bringing in projects for community development. However, often, mining companies do not see themselves as development agents therefore they do not necessarily embrace everything that the local communities expect but instead they respond and engage to the ones they see as more responsible to bring about development in the communities. In view of this statement, it is apparent that companies are not inclined to develop host communities. The general feeling is that programmes for development are solely the responsibility of the local government. Their part is to add on to the efforts by the government. It is therefore a challenge that most mining companies must towards the host communities and in turn they have engaged in CSR programmes that have failed to develop the communities of operation. Renco Mine's CSR initiatives have largely been dictated by RioZim Foundation in Nyajena as the company has not seen itself with the mandate of developing the community without government at the forefront.

Boon and Ababio (2009) cited in Mensah (2014) argue that the Goldfields of Ghana, the largest producer of gold in Ghana, although not mandated by any framework or law to provide CSR activities, has responded more to moral obligations than the legal one. In its communities of operations, the company has contributed to various projects that have transformed the communities by engaging in projects that have created positive development. This has been achieved through that company's Trust Fund formed in 2004. The main objective of the fund according to Mensah (2014), is to make sure there is development of the company's eight communities. I however differ with this view because the Goldfields in Ghana have largely concentrated on the immediate mining communities. Most of the initiatives undertaken focused on the mine workers and their immediate families. The other areas have been left as is. The same applies to Nyajena, most of its communities are underdeveloped, although Weber-Fahr *et al* (2001) asserts that through their CSR initiatives, mining corporations have been found investing in various projects towards the development of the host communities.

The projects such as educational infrastructure have contributed to the improvement of knowledge acquisition of basic literacy level of the community

members. In the long run this contribution will empower community members as they will be in a better position to be economically and socially empowered. This is also seen as a contribution to Sustainable Development Goals of achieving universal primary education for all.

Caroll (1991) presented CSR in a pyramid with four stages that is the ethical, environmental, economic and philanthropic. The economic stage is at the bottom of the pyramid meaning that it is the foundation of the four. In other words, the financial muscle of a company determines the part of the profits that will be committed to CSR in the community. In Zimbabwe, mining companies have been encouraged to spread their CSR programmes to agriculture to complement the efforts by the government through Community Share Ownership Trusts (Bulawayo 24, 2012). The report confirmed that mining and agriculture have the same role to play in improving livelihoods in communities and the two sectors should co-exist to benefit the communities. The mines in Zimbabwe are mostly located in remote areas, hence they are the drivers of community development through projects such as roads, schools, hospitals, water and sanitation for adjacent agriculture projects (Mpfu, 2012) cited in Bulawayo News24 (2012). Furthermore, Makore and Zano (2012) agree with Mpfu's assertion that the contribution of mining companies to CSR projects are commendable. This is much so since the government of Zimbabwe has failed to deliver vital social structures and critical infrastructure in what Sabelo Gatsheni-Ndlovu referred to as the "Lost Decade" (the period spanning from 2000 and 2010) due to the socio-political crises in the country.

The authors further describe how mining companies came to fill this gap. However, as with all CSR projects in the whole of Africa, concern is on their sustainability as CSR projects initiated by mining companies which include infrastructure development have largely benefitted mine workers and their immediate families. Furthermore Zano (2012) states that in essence the building of clinics, hospitals, schools, housing while commendable is not enough in terms of CSR. I concur with the views of the authors that CSR projects of mining companies, although commendable have failed to bring in community development. Mining companies in Zimbabwe need to focus more on agriculturally based projects since it is the backbone of the economy. It is particularly more important now since funding by the government has continued to decline since 2000 as outlined by Sabelo-Gatsheni.

The Herald (August, 2015) state that CSR is a public relation used to win the hearts of the community in which a company operates by giving back to the community as appreciation. It went on to say that CSR is an incentive for

communities to work together with companies. The community benefits and develops from the company's CSR activities. The mining companies in the Midlands are playing a big role in the health sector in the community of Shurugwi, Gweru and Zvishavane. The building of clinics and refurbishment of major hospitals in the Midlands, such as Gweru General Hospital and Shurugwi Provincial Hospital are major CSR activities engaged in by Mimosa and Unki mines. Like Nyajena, community development remains limited in the face of such big investments. It is therefore the onus of this study to find out the factors limiting the realisation of community development through CSR interventions by mining companies.

A study by Marais (2010) in South Africa observed that mining industries have a big influence on the societies in which they operate. He observed that mining ventures have also caused most of the socio environmental impacts, including land degradation and depletion of forest resources. They have thus affected negatively the livelihoods of the local communities in host communities. Even though the mining companies engage the communities in programmes such as HIV&AIDS, these programmes have had some limitations as they have often confused CSR and philanthropy or hand-outs. The study concluded that, although the mining industry has enjoyed decades of profiteering more neglect the development needs of the mining communities. The study proved that companies are very much about making a profit and takes investing less in community development. It also points out that where investment has taken place, achieving community development is still far-fetched. Furthermore, at the end of the venture, due to unsustainable projects, the communities revert to their original state. This study will unravel the factors that have derailed community development through CSR interventions by Renco Mine in Nyajena, Masvingo South. It will establish the gap left by other authors who have researched along the same lines.

CSR interventions may, to an extent, be successful at improving the living conditions of the people in the host communities. However, sustaining such interventions goes beyond them. CSR interventions and over-reliance on CSR may undermine community development (Ife, 2002). CSR programmes and projects interventions have, at times, been taken as a marketing and public relations tool but, in developing countries it is now taken as a serious effort to bring about benefits that are sustainable to improve the lives of the host communities. This is probably attributed to the fact that in developing countries, most mining communities are rural based, hence they have the highest poverty levels as compared to urban settings. According to Hamman and Kapelus (2004) benefits of CSR initiatives may be according to the size of the mining venture and

the state of the community and most importantly the support from the local government. I agree with the author on that the characteristics of the community before a mining venture contribute to measuring the extent of the CSR interventions. As with most mining areas, the amount of development before a mining venture is characterised by lack of necessities for community development. Therefore, the coming in of mining operations are envisaged to develop and change the state of the community. This applies to mining communities in Zimbabwe now. Government funding for community development has since ceased and most of the development efforts have been left to the mining companies. To this end, this study's purpose was to find out if these were some of the factors limiting community development.

Ife (2002) argues that sustainability of CSR projects remains the most common challenge limiting community development. A study by IFC (2003) revealed that there is always a long-term viability of CSR programme interventions. CSR interventions mostly respond to philanthropic concerns that are not connected to companies' strategies. This, in many cases results in the ineffectiveness of the interventions, thereby failing to come up with a social impact on the host community. The World Bank (2000) therefore recommends companies to make the CSR projects part of their development plan in addressing the economic, social and environmental issues not only during the mine's tenure but at the end as well. Ife (2000) agrees with this assertion as most projects are designed in a way that needs the sustenance of the company on an on-going basis. In view of this, World Bank (2000) did not give enough information on the exact projects that are classified as needing ongoing support and those that did not. This is true as evidenced by projects by Unki Mine that have been seen as purely window dressers that are only implemented to boost the image of the company. To this end, the projects are highly unsustainable and therefore a CSR challenge to community development.

Hamman and Kapelus (2004) observed that the issue of unsustainability is a pillar of philanthropy. He agrees that philanthropy is a traditional method of CSR and is still much used by companies. If philanthropic projects were minimised, community development CSR would be attained. Fiovante (nd) argues that philanthropy takes the form of charity and is not a key ingredient in community development. Most of charity projects are piece-meal and small donation oriented yet. Ife (2002) contends that contributing towards something that demands less funds and more participation is a far better way to strengthen or build relations with a community. Companies are mostly engaging in philanthropy yet their contribution to community development remains a challenge. It is therefore a true assertion that charity projects work well in addressing short term

problems. However, for long-term developmental initiatives, philanthropic interventions are ineffective. Visser (2006) further asserts that in most African countries, CSR by MNCs are largely voluntary. This is because there is a lack of a legal framework guiding CSR by mining companies. In addition, the governments of such countries have fully accepted the hand-outs from these companies thereby compromising on community development. However, Visser's view does not state that this trend has resulted in dependency on hand-outs and lack of a vision to be independent. A report by the Ife (2002) states that charitable projects worsen the state of the communities that creates more poverty levels. The MNCs operating in vulnerable communities have taken advantage of the already poor state of the communities to push undesirable projects.

Humphreys indicates that CSR policies within the companies themselves has also contributed to poor projects by companies. He states that in some cases, the shareholders of a company may want to know why a CSR intervention is investing in a health or education project which is traditionally regarded as the responsibility of the government. The reason behind this view is that companies are always very thin on funding for CSR projects and yet their resorting to charity intervention. However, such thinking has undermined the role of mining companies in community development. A report by Madzvamuse (2010) on an investigation of Mimosa Platinum mine due to lack of transparency and accountability, revealed that the amount of funding for CSR projects in the Zvishavane area did not tally with the profits and earnings that the company was making. It concluded that the company was investing far less than the earnings hence the persistent underdevelopment of the host communities.

The Mimosa case is the same in most mining areas with Nyajena facing the same. it is therefore evident that funds allocated for CSR programme interventions is not enough to fund all the major developmental intervention in host communities. However, Kumah (2006) argues that in this case the issue of population come in. He describes the total population in comparison to the amount of funding as a major challenge to community development. The ever-increasing population in rural communities has a limiting factor on the number of projects that can benefit everyone. A study carried out in Bangladesh concluded that the number of people chasing after the little resources availed for community development continues dwindling. Increase in population is a development challenge, particularly in developing countries because of poverty, lack of education and health interventions. Frynas (2005) argues that it is worrying that limited funding on development projects fail because of the less importance placed on them. Because of its voluntary nature, CSR will not place emphasis on community development projects but rather promote more philanthropy. Frynas

(2005) observed that in Ghana, there is a general belief that poverty and lack of sustainability in the mining communities have been attributed to by the *laissez-faire* attitude of mining companies. In their defence the companies have reacted to this claim by stating that their operations do not cause poverty.

I agree with the locals' view that they expect MNCs operating in Ghana to change the face of the host communities, considering that they mine very valuable resources. However, the argument by the companies is, they are there to complement government efforts. Ghana, like Zimbabwe is also silent on legal obligations of the mining sector towards community development. Anaman (2008) contends that there is a very thin line between CSR that creates dependency and one that develops a community in a sustainable way.

Sustainability can only be achieved if CSR activities are community oriented, that they include the community in the planning and implementation of projects. Conje (2005) laments that CSR activities undertaken by a company should be for the benefit of the community, socially, economically and environmentally. Most companies plan and implement CSR projects without the input of the receiving community. Such projects are largely imposed on the community. Boon and Ababio (2009) agree that in such circumstances projects never achieve their intended goal because of lack of input from the community. The company must take into consideration that the community is the rightful owner of the area and the resources. Marais (2010) describes the issue of inclusive participating decision making as one main ingredient for community development. I contend with this view, as lack of community engagement or participation results in development that is not for the people and can derail development efforts. In Zimbabwe's mining communities, there is evidence of lack of community engagement by mining companies. This has been seen as a major challenge for community development. This study is therefore going to unearth the major factors limiting the full realisation of community development through Renco Mine's CSR interventions in Nyajena.

The literature reviewed largely focused on authors that support the notion that CSR by mining companies does exist, but it has not resulted in community development. Most of authors and reports concluded that most mining companies are engaged in CSR activities for community development, socially, economically and environmentally. Most of the reviewed articles indicate that companies have been left to devise their own CSR as there is lack of legal frameworks to guide CSR. In view of this, companies then choose what programme interventions to undertake, mostly without the involvement of the host community. The literature also showed that most of projects undertaken by

mining companies are philanthropic and therefore not sustainable. This study will therefore, establish the challenges causing lack of effectiveness of CSR in community development. This review has enabled the study to gain perspective of CSR and its role in community development in Zimbabwe, particularly in rural and semi-rural communities in which mining companies operate.