



Original article

The role of local participation in the governance of natural resource extraction

Nanang Indra Kurniawan^a, Päivi Lujala^{b,*}, Ståle Angen Rye^c, Diana Vela-Almeida^c

^a Universitas Gadjah Mada, Indonesia

^b Geography Research Unit, University of Oulu, Finland

^c Norwegian University of Science and Technology, Norway



ARTICLE INFO

Keywords:

Local participation
Citizen engagement
Resistance
Extraction
Natural resource governance

ABSTRACT

This article introduces the special section on "The role of local participation in the governance of natural resource extraction". It highlights the inherent conflicts between official techno-regulatory and corporate schemes for citizen engagement and bottom-up, community-led participatory mechanisms for decision-making in extractive governance. This special section offers empirically and theoretically innovative analyses of participatory processes in extractive sectors in the Americas. This brief introduction highlights the need to study how 'local demands' are conceptualized within participatory frameworks and examine what role affected populations play in resisting and shaping transnational extractive policies and practices.

1. Introduction

The people living in resource extraction areas are increasingly at the heart of transnational natural resource governance policy discourse. Accordingly, sustainable—i.e., economically, socially, and environmentally responsible—natural resource use has become a key focus of resource governance (Ojha et al., 2016; Pozas et al., 2015; Wilson and Stammer, 2016; Schilling-Vacaflor et al., al., 2018). In particular, local aspects of the global discourse on natural resource governance have received considerable attention. This has resulted in a variety of efforts aiming to engage citizens in resource management.

With growing political pressure to increase participation, the extractive industries, states, and NGOs have developed a series of participatory mechanisms through drawing on international frameworks and best practices, state-sanctioned regulations, and corporate-led voluntary initiatives. These include but are not limited to participatory planning, compensatory practices, environmental impact assessments, consultations, transparency, and social license to operate (SLO) schemes (Dyer et al., 2014; Leifsen et al., 2017; Cesar, 2019; Tost et al., 2018). These approaches seek to increase accountability in extractive sector decision-making, improve natural resource management, enhance transparency and access to information, and boost the reputation of extractive practices that face growing public scrutiny (Epremian et al., 2016; Vollerero et al., 2019).

Our special issue contributes to the debate on citizen engagement in the extractive sector by pointing to a series of questions that seek to answer what participation constitutes. How is participation implemented and achieved? What are the outcomes of participation in extractive governance? The articles in this special section support previous findings, which stress that top-down designed approaches for participation fail to ensure the rights of local communities and do not provide avenues for voicing local concerns or including them in decision-making. Importantly, the empirical cases presented in the included articles also shed light on community-led approaches to participation that although risky and temporal, have successfully influenced natural resource governance.

2. Participatory processes and extractive governance

Demands for better management encompass all aspects related to the natural resource value chain, from exploration and extraction to local and national revenue expenditure. Better practices should lead to increased access to information, accountability and ultimately more informed decision-making in natural resource management (Brunnschweiler et al., 2021; Charles and Le Billon, 2021). Examples of these better practices are the global and national initiatives directed towards increased information disclosure and transparency of natural resource governance in general, and of natural resource revenues in particular

* Corresponding author.

E-mail address: paivi.lujala@oulu.fi (P. Lujala).

<https://doi.org/10.1016/j.exis.2021.101029>

Received 2 September 2021; Received in revised form 26 November 2021; Accepted 27 November 2021

Available online 12 December 2021

2214-790X/© 2021 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

(Lujala et al., 2020; Le Billon et al., 2021). Other efforts to promote engagement have been the integration of the participatory aspect into various policy initiatives related to extractive governance, such as in the World Bank policy formulations on mining and in the UN Global Compact, a nonbinding instrument fostering business sustainability through corporate social responsibility (Compact, 2006).

Extractive industries have also sought to engage with affected populations by establishing funds and foundations that seek to incorporate community members in decisions related to allocating funds to local development projects (Kasimba and Lujala 2020; 2021). Parallel to the top-down policy initiatives, communities and civil society groups have on their own—but often together with national and international NGOs—engaged and mobilized through new digital media and networking platforms to support local struggles for control of land and resources (Kurniawan and Rye 2014; Rye and Kurniawan 2017). New approaches for direct citizen participation, such as crowdsourcing, have also been proposed (Ogbe and Lujala 2021).

Participatory processes seek to democratize decision-making in the extractive sector, provide affected populations with a greater role in deciding whether an extractive project can be initiated, establishing the conditions for extraction, scrutinizing the performance of the authorities and extractive industries, and, when needed, mobilizing citizens to demand better natural resource governance. Compliance with these participatory schemes, however, has been weak; they are often voluntary and fail to account for the needs and demands of all actors involved, specifically, the affected communities (Bridge, 2004; Rodríguez-Garavito, 2011; Leifsen et al., 2017). Studies have shown that participatory mechanisms are primarily created in response to conflicts or to prevent them (Bebbington et al., 2008), to comply with national regulations (Merino, 2018), or to prevent potential liabilities and reputational damages for corporate actors (Dougherty, 2019). The concept of participation is thus transformed into a managerial practice to alleviate community-company conflicts, improve a company's community relations, and maintain a company's reputation amongst stakeholders other than the affected populations (Acuña, 2015).

The condescending nature of participation—top-down and with externally defined 'local demands'—protects the legitimacy of extractive practices (Perreault, 2015). Indeed, research suggests that efforts to increase citizen engagement in natural resource governance have been limited in terms of the actual involvement of citizens or meeting the objectives of promoting local and national sustainable development (Gaventa and McGee 2013; Epreman et al., 2016; Rustad et al., 2017; Brunnschweiler et al., 2021). Most citizens in resource-rich economies in the global south remain largely detached not only from political decisions regarding the handling of natural resources in general but also from transnational and national initiatives promoting citizen engagement in local- and national-level processes (Thondhlana et al., 2015; Merino, 2018). There are many reasons for this, including the institutional fragility of the state in many resource-rich countries, opaque bureaucracies, political pressures, and conflicts of interest that compromise compliance to the participatory rights of affected communities (Gustafsson and Scurrah, 2019; Vela-Almeida and Torres, 2021).

Experiences from the extraction areas—where global policies meet the local 'reality'—are therefore critical to understanding the limits of current policy frames and hence, to establishing the grounds for shaping the (re)formulation of global policies and how they are implemented. A major hindrance to gaining novel insights into how transnational policy initiatives are shifting to particular locations and involving their citizens is, according to (Prince, 2017) 2017, the limited understanding of the 'local' and how the 'local' relates to other scales. As Baker et al. (2016:463) argue, policies emerge in and through concrete 'local' situations that constitute wider networks, where the affected populations also strategically seek to promote their own agendas by 'packaging' local challenges to suit the agendas of international agencies while developing other grounded mechanisms to exercise political influence for the use and control of natural resources. Moreover, the territorial

configuration of global production networks and value chains remains an underdeveloped analytical frame within natural resource governance (Bridge and Bradshaw 2017; Coe and Yeung 2015). All this point in the direction of moving beyond the duality of global-local when developing concepts and practices for citizen participation in transnational natural resource governance from the perspective of the 'local'.

Two special issues have contributed to the understanding of the vicious nature of top-down mechanisms that externally define the role of the local in resource governance. The first one by Leifsen et al. (2017) focuses on the use of direct participatory mechanisms employed by indigenous and other marginalized populations to influence extractive sector decision-making. This special issue challenges the assumption that state-led or corporate-led participation enhances effective environmental governance by empowering and including marginalized groups in the process. Instead, the articles in special issues show that participatory processes are often politically ineffective and exclusionary and act as tools for depoliticizing extractive activities by transforming participation into a bureaucratic procedure. The second special issue by Verweijen and Dunlap (2021) highlights the strategies used by extractive and energy companies to render extraction socially acceptable for affected communities. In doing so, corporations socially engineer techniques to "manage dissent and manufacture consent" (p. 1) to render resource extraction socially acceptable.

3. Articles in the special section

The articles in this special section elaborate on how local communities challenge official techno-regulatory and corporate-led participation in different ways. The first two articles problematize top-down international frameworks for legitimizing informed decisions in extractive industries: the social licence to operate (SLO) that has been used to rebuff place-specific concerns formulated by affected communities (Mulhern et al., 2021), and techno-scientific knowledge that excludes local forms of knowledge (Espinosa 2021). Mulhern et al. examine the legitimacy of the SLO in communities impacted by extractive industries. The authors analyse the case of the Kori Chaca gold mine in the historical mining zone of Oruro, Bolivia, and demonstrate contrasting perceptions about mining's impacts on nearby communities. While the company's understanding of the SLO was related to providing communities with the minimum benefits to meet international sustainability standards, the communities pressed for inherently local demands that related to a just distribution of benefits from the mining activities. The authors conclude that the mining industry uses the SLO to legitimize its operations according to international frameworks while disregarding genuine dialogue with the impacted communities.

The second article in the section, Espinosa (2021), examines the role the production, distribution, and legitimization of knowledge plays in contested extractive projects. The author uses a Foucauldian understanding of the power/knowledge hierarchical system to argue that governments and the mining industry legitimize and use 'techno-scientific' or 'expert' knowledge to define, evaluate, and implement large-scale extractive projects. In contrast, affected communities contest the validity of expert knowledge and engage in what Espinosa calls counterexpertise: the production of alternative knowledge that challenges official techno-scientific knowledge. The study is based on three case studies in Ecuador (Intag, Kimsacocha, and Cordillera del Cóndor), where communities have mobilized their alternative forms of knowledge production through local, national, and international networks in their struggle to oppose imposed mining projects. The author argues that forms of counterexpert knowledge production enhances the 'emancipatory potential' of communities in contentious socioecological conflicts.

The following three articles examine how the agency of affected communities influences decision-making when official participatory institutions are unable to respond to their demands. In these cases, resistance against an extractive industry or leveraging on community-

based participatory initiatives have become the affected communities' preferred form of participation. Gobby et al. (2021) demonstrate how citizens, through active resistance via blockades and occupations, were able to not only influence the outcome of a single extraction project but also forge the transformative governance necessary for addressing multiple crises occurring in indigenous territories in Canada. As the authors show, such resistance becomes much more than a local people's desperate attempt to control resources in its own territory; it becomes an integral part of resource governance in Canada and a force that transforms Canada's social, economic, and political system. The findings are derived from a rich empirical dataset of 57 cases of environmental conflicts in Canada, which are examined through both quantitative and qualitative methods.

From a Latin American perspective, Vela-Almeida et al. (2021) illustrate how indigenous and campesino communities in Mexico, Ecuador, and Peru have succeeded in circumventing an institutionalized participatory regime for extractive governance when it has neglected their demands in the decision-making arena. Drawing on the ideas of radical democracy, the authors develop an analytical framework that distinguishes between participation, decision-making, and consent in politicizing extractive governance. By examining the legislation in the three countries and case studies, their article adds to our understanding of how local communities' agency impacts the outcomes of natural resource governance in spaces where formal approaches of participation have failed. The authors also document how new forms of expressing voice and resistance—such as declarations of 'territories free from mining', blockades, social media campaigns, and legal action—have not only shaped resource governance but also potentially created new ways for political participation. However, as the authors suggest, the usefulness of participation through resistance and social movements is only viable and suitable over time if such participation leads to lasting solutions or changes the underlying mechanisms that limit meaningful participation.

Arbelaez Ruiz (2021) elaborates on local community participation in postconflict mining governance. Drawing on the case of Nasa indigenous people of North Cauca, Colombia, the author analyses the resistance of this community to industrial-scale and non-Nasa artisanal mining. The author argues that the Nasa indigenous community's resistance to mining practices is the manifestation of local participation in natural resource governance. This resistance is built on the strong moral and institutional frameworks that structure the community's response to mining. The author also shows how the indigenous community uses four interdependent resistance institutions: legal mandates, organizational systems, knowledge creation and sharing practices, and dialogue and advocacy. The findings indicate that the Nasa community sees unauthorized mining in their territory as a potential source of moral tensions amongst community members, a threat to the community's unity, and a modifier of relationships and loyalties.

In the final article, Torres Wong and Jimenez-Sandoval (2021) elaborate on the role of community-based participatory institutions in resolving social conflicts and violence around extraction sites. Drawing on the case of an indigenous community's resistance to industrialized gold extraction in Capulalpam de Mendez in Oaxaca, Mexico, the authors analyse the trade-offs between top-down and community-based participatory mechanisms. They show how this community was able to mobilize existing communal decision-making bodies as effective vehicles for local empowerment and resistance. In addition to the potential of mobilizing existing social bodies for resistance, the authors underline that such mechanisms may marginalize some groups within indigenous communities, such as women who may not have representation in existing communal decision-making bodies.

4. Conclusion

As the articles in this special section also show, top-down policies and practices for citizen engagement and local involvement in natural

resource governance do not sufficiently reduced power imbalances in extractive sector decision-making or enhance socially just and democratic processes. This, we argue, is due to shortcomings in our understanding of how participatory processes work at a local level. The contributions to this special section address these shortcomings by considering civil society and communities affected by resource extraction more than simply passive actors to whom top-down participatory approaches can be applied. Instead, they show how these communities often shape the nature of resource governance through resistance and other means, such as community-based participatory mechanisms, indigenous institutions, counterexpertise, blockades, and occupations. These constitute local forms of 'bottom up' participation that respond to a lack of meaningful participation initiated from outside the 'local'. Notably, however, these efforts are not without cost and can endanger the well-being of the communities and individuals who seek to protect their lands, environments, and rights (Le Billon and Lujala 2020).

To further our understanding of the role of 'local' participation in the governance of natural resource extraction, we need more research and more nuanced insights into the complexities of how sites of extraction and the people living near them relate to broader global policy regimes. Furthermore, we argue that it is necessary to understand how other actors, such as mining companies, are affected by communities. Moreover, future research should examine what role affected populations play in shaping transnational extractive policies and practices.

Acknowledgements

We would like to thank the Editor of the journal for the opportunity to publish this special section. This work was supported by the Academy of Finland (309206 and 322097), Norwegian Agency for Development Cooperation (QZA-21/0159), and Norwegian Research Council (321659).

References

- Acuña, R.M., 2015. The politics of extractive governance: indigenous peoples and socio-environmental conflicts. *Extr. Ind. Soc.* 2 (1), 85–92.
- Arbeláez-Ruiz, D.C., 2021. Indigenous resistance to mining in post-conflict Colombia. *Extr. Ind. Soc.*
- Baker, T., Cook, I.R., McCann, E., Temenos, C., Ward, K., 2016. Policies on the move: the transatlantic travels of Tax Increment Financing. *Ann. Am. Assoc. Geogr.* 106, 459–469.
- Bebbington, A., Hinojosa, L., Bebbington, D.H., Burneo, M.L., Warnars, X., 2008. Contention and ambiguity: mining and the possibilities of development. *Dev. Change* 39 (6), 887–914.
- Bridge, G., 2004. Contested terrain: mining and the environment. *Annu. Rev. Environ. Resour.* 29, 205–259.
- Bridge, G., Bradshaw, M., 2017. Making a global gas market: territoriality and production networks in liquefied natural gas. *Econ. Geogr.* 93, 215–240.
- Brunnschweiler, C., Edjekumhene, I., Lujala, P., 2021. Does information matter? Transparency and demand for accountability in Ghana's natural resource revenue management. *Ecol. Econ.* 181, 106903.
- Cesar, S., 2019. Earning a social license to operate in mining: a case study from Peru. *Resour. Policy* 64, 101482.
- Charles, M., Le Billon, P., 2021. Corporate accountability and diplomatic liability in overseas extractive projects. *Extr. Ind. Soc.* 8 (1), 467–476.
- Coe, N.M., Yeung, H.W.C., 2015. *Global Production networks: Theorizing economic Development in an Interconnected World*. Oxford University Press.
- Compact, U.G. (2006). *UN global compact*. New York. [Online.] Available from <http://www.unglobalcompact.org> [8 January 2006].
- Dougherty, M.L., 2019. Boom times for technocrats? How environmental consulting companies shape mining governance. *Extr. Ind. Soc.* 6 (2), 443–453.
- Dyer, J., Stringer, L.C., Dougill, A.J., Leventon, J., Nshimbi, M., Chama, F., Syampungani, S., 2014. Assessing participatory practices in community-based natural resource management: experiences in community engagement from southern Africa. *J. Environ. Manag.* 137, 137–145.
- Epreman, L., Lujala, P., Bruch, C., 2016. High-value natural resources and transparency: accounting for revenues and governance. *Oxford Res. Encyclopedia of Politics*. <https://doi.org/10.1093/acrefore/9780190228637.013.21>.
- Espinosa, C., 2021. Reducing power disparities in large-scale mining governance through counter-expertise: a synthesis of case studies from Ecuador. *Extr. Ind. Soc.*
- Gaventa, J., McGee, R., 2013. The impact of transparency and accountability initiatives. *Dev. Policy Rev.* 31, 3–28.

- Gobby, J., Temper, L., Burke, M., von Ellenrieder, N., 2021. Resistance as governance: transformative strategies forged on the frontlines of extractivism in Canada. *Extr. Ind. Soc.*
- Gustafsson, M.T., Scurrah, M., 2019. Unpacking the extractivist state: the role of weak state agencies in promoting institutional change in Peru. *Extr. Ind. Soc.* 6 (1), 206–214.
- Kasimba, S., Lujala, P., 2020. Examining host communities' perceptions on trust funds as corporate strategies for community development in Ghana. *J. Asian Afr. Stud.* 56 (6), 1386–1402.
- Kasimba, S., Lujala, P., 2021. Community based participatory governance platforms and sharing of mining benefits: evidence from Ghana. *Community Dev. J.* 1–20.
- Kurniawan, N.I., Rye, S.A., 2014. Online environmental activism and Internet use in the Indonesian environmental movement. *Inf. Dev.* 30, 200–212.
- Le Billon, P., Lujala, P., 2020. Environmental and land defenders: global patterns and determinants of repression. *Glob. Environ. Change* 65, 102163.
- Le Billon, P., Lujala, P., Aas Rustad, S., 2021. Transparency in environmental and resource governance: theories of change for the EITI. *Glob. Environ. Politics* 21 (3), 124–146.
- Leifsen, E., Gustafsson, M.T., Guzmán-Gallegos, M.A., Schilling-Vacaflor, A., 2017. New mechanisms of participation in extractive governance: between technologies of governance and resistance work. *Third World Q* 38 (5), 1043–1057.
- Lujala, P., Brunnschweiler, C., Edjekumhene, I., 2020. Transparent for whom? Dissemination of information on Ghana's petroleum and mining revenue management. *J. Dev. Stud.* 56 (12), 2135–2153.
- Merino, R., 2018. Re-politicizing participation or reframing environmental governance? Beyond indigenous' prior consultation and citizen participation. *World Dev.* 111, 75–83.
- Mulhern, R., Mulhern, M., Perreault, T., 2021. Contesting the social license to operate: competing visions and community exclusion on the Bolivian Altiplano. *Extr. Ind. Soc.*
- Ogbe, M., Lujala, P., 2021. Spatial crowdsourcing in natural resource revenue management. *Resour. Policy* 72, 102082.
- Ojha, H.R., Ford, R., Keenan, R.J., Race, D., Vega, D.C., Baral, H., Sapkota, P., 2016. Delocalizing communities: changing forms of community engagement in natural resources governance. *World Dev.* 87, 274–290.
- Perreault, T., 2015. Performing participation: mining, power, and the limits of public consultation in Bolivia. *J. Lat. Am. Caribb. Anthropol.* 20 (3), 433–451.
- Pozas, M.D.C.S., Lindsay, N.M., du Monceau, M.I., 2015. Corporate social responsibility and extractives industries in Latin America and the Caribbean: perspectives from the ground. *Extr. Ind. Soc.* 2 (1), 93–103.
- Prince, R., 2017. Local or global policy? Thinking about policy mobility with assemblage and topology. *Area* 49, 335–341.
- Rodríguez-Garavito, C., 2011. Ethnicity, gov: global governance, indigenous peoples, and the right to prior consultation in social minefields. *Indiana J. Glob. Legal Stud.* 18 (1), 263–305.
- Rustad, S.A., Le Billon, P., Lujala, P., 2017. Has the extractive industries transparency initiative been a success? Identifying and evaluating EITI goals. *Policy* 51, 151–162.
- Rye, S.A., Kurniawan, N.I., 2017. Claiming indigenous rights through participatory mapping and the making of citizenship. *Polit. Geogr.* 61, 148–159.
- Schilling-Vacaflor, A., Flemmer, R., Hujber, A., 2018. Contesting the hydrocarbon frontiers: state depoliticizing practices and local responses in Peru. *World Dev.* 108, 74–85.
- Thondhlana, G., Shackleton, S., Bignaut, J., 2015. Local institutions, actors, and natural resource governance in Kgalagadi Transfrontier Park and surrounds, South Africa. *Land use policy* 47, 21–129.
- Torres Wong, M., Jimenez-Sandoval, A., 2021. Indigenous resource governance as an alternative to mining: redefining the boundaries of indigenous participation. *Extr. Ind. Soc.*
- Tost, M., Hitch, M., Chandurkar, V., Moser, P., Feiel, S., 2018. The state of environmental sustainability considerations in mining. *J. Clean. Prod.* 182, 969–977.
- Vela-Almeida, D., Torres, N., 2021. Consultation in Ecuador: institutional Fragility and Participation in National Extractive Policy. *Lat Am Perspect* 48 (3), 172–191.
- Vela-Almeida, D., Gonzalez, A., Gavilán, I., Fenner Sánchez, G.M., Torres, N., Ysunza, V., 2021. The right to decide: a triad of participation in politicizing extractive governance in Latin America. *Extr. Ind. Soc.*
- Verweijen, J., Dunlap, A., 2021. The evolving techniques of the social engineering of extraction: introducing political (re) actions 'from above' in large-scale mining and energy projects. *Polit. Geogr.* 88, 102342.
- Vollero, A., Conte, F., Siano, A., Covucci, C., 2019. Corporate social responsibility information and involvement strategies in controversial industries. *Corporate Soc. Responsibility Environ. Manag.* 26 (1), 141–151.
- Wilson, E., Stammler, F., 2016. Beyond extractivism and alternative cosmologies: arctic communities and extractive industries in uncertain times. *Extr. Ind. Soc.* 3 (1), 1–8.