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Indigenous Human Resource Practices in Australian Mining Companies: Towards an Ethical Model

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Indigenous Human Resource Practices in Australian Mining Companies: Towards an Ethical Model

Abstract

Mining companies in Australia are increasingly required to interact with Indigenous groups as stakeholders following Native Title legislation in the early 1990s. A study of five mining companies in Australia reveals that they now undertake a range of programs involving Indigenous communities, to assist with access to land, and to enhance their public profile. However, most of these initiatives emanate from carefully quarantined sections of mining companies. Drawing upon cross-cultural and diversity research in particular, this paper contends that only initiatives that strive towards power sharing with Indigenous groups and strategies for broadening the organizational interface with Indigenous groups, will contribute to more ethical practices in mining and other companies.

Keywords

Indigenous communities, cross-cultural training, diversity, racism, two-way adaption model, power-sharing

Introduction

Over the last two decades, the stance of mining companies operating in Australia, towards Indigenous communities, has changed radically. Based on research of five

mining companies operating in Australia, this paper charts the changes in human resource practices and approaches those companies have made in working with Indigenous communities. In addition to describing these changes, we argue the need to develop a set of criteria for evaluating these reforms that have a basis in ethics, rather than simply economic or productivity arguments about enhancing access to land or more effective utilization of local workforces. Four ethical criteria for company-Indigenous relations and a model for locating company practices are proposed.

The paper begins by identifying the factors which have combined to promote a change of stance and strategy among Australian mining companies towards Indigenous peoples. We present five case studies, identifying differentiating features, and we speculate about what causes one company to be resistant and minimalist in its approach, while another pursues a more innovative and visionary path.

The original research for this study examined how different companies within one industry were responding to the needs to build better relations with Indigenous communities. Several types of data were collected including documentary evidence and review of company materials, press coverage and interview data with company representatives involved in Indigenous relations, as well as some interviews with Indigenous and non-Indigenous people involved in observing and working with mining companies.

The literature review summarises models of the adaptation processes by which individuals, companies or societies move from being in denial about the need to integrate the perspectives of a stakeholder group, to, at the opposite extreme, understanding that they have a long term relationship with that stakeholder group: they need to listen to and learn from that group as well as having a responsibility to train and develop members of those communities.

Although Australian companies have come a long way in the last few decades in their relations with Indigenous communities, practices remain ethically under-developed and the ethical dimensions of what is being done, and not done, are rarely articulated.

Corporate efforts are most often enunciated within a 'Corporate Relations' or 'Public Relations' framework. This article attempts to start the process of reinserting ethical considerations into company relations with Indigenous communities.

Indigenous Peoples in Australia

Australian Indigenous communities experience some of the worst conditions of 'third world' countries. Aboriginal men and women die, on average, at least twenty years earlier than their White counterparts and the gap between black and white life expectancy is not closing. The rate of infant mortality is 2 to 3 times higher among Aboriginal communities and deaths from preventable diseases such as flu and meningitis is twelve times higher than in the White population. The incidence of some adult diseases, such as diabetes, is eight times higher. The overall rate of Indigenous unemployment at 26% (2000) is twice that of non-Indigenous populations, and average Aboriginal income is, on

an optimistic estimate, around 55% of average White income. While 73% of White teenagers finish Year 12 at school, only 32% of Aboriginal children do and while 10% of the non-indigenous population have university degrees, 2% of the Aboriginal population graduate from university. According to the 1998 prison census, 1 in 5 people incarcerated were Aboriginal despite Aboriginals being only 2% of the total population and Indigenous youth are 22 times more likely to be incarcerated than non-Indigenous.

While these statistics tell a terrible story about the continuing impacts of colonization and dispossession on Aboriginal peoples, there has been little admission of responsibility for these problems among the White Australian community. Many myths continue to pervade public thinking, for example that these problems are the inevitable products of living more traditional lifestyles and the myth that Aboriginal peoples already receive too many extra 'hand-outs' from government (Jopson et al., 2000).

Until comparatively recently, the welfare and employment of aboriginal communities has not been seen as a business issue. Many corporations have been shielded from any contact with Aboriginal people because overall the Aboriginal population is small – at only about 2% of the population. Also, Aboriginal people live in particular parts of Australia, especially rural and remote parts of the Northern Territory, Queensland and the Torres Strait and in Western Australia. Mining companies typically have their head offices and operations centred in urban cities. This is in spite of the fact that the vast majority of mining operations in Australia operate in remote and rural areas in country traditionally used by and still inhabited by diverse aboriginal communities.

In the 1970s, most mining companies were in denial, having as little as possible to do with the aboriginal communities living on the lands which they were mining. A combination of public pressure, the need to avoid bad publicity and adapt to changing land legislation, the requirements of emerging best practice in the mining industry and last but by no means least important, a sense of responsibility towards communities in which they operate, have all contributed to the development of formal and informal relationships between mining companies and some indigenous groups.

Factors Contributing to the Shift of HR Stance and Strategy

1. “Native” Title legislation

Until 1992, much of the Australian outback, beyond cities and regional centres had been regarded as “terra nullius”. Early European settlers from the eighteenth and nineteenth centuries onwards, regarded the land as empty and vacant, owned and used by no-one, with no prior claims (Reynolds 1999). This view reflected and served the interests of white settlers and pastoralists who annexed or were given vast tracts of land for their use.

In fact, prior to white settlement, much of the land which Aboriginal communities occupied and lived on in a sustainable way, was regarded as ‘unoccupied’. In June 1992, a historic legal decision, known as the Mabo decision (after Eddie Mabo, a Torres Strait Islander who had campaigned for land rights) recognised that a period of continuous occupancy gave Indigenous groups a legitimate claim to land ownership [Mabo vs Queensland (No.2)]. By a 6:1 majority, the Court found that the Australian common law

recognised that our Indigenous inhabitants are entitled to “native title” in relation to their traditional lands.(Glindemann 2000)

The Mabo decision and the Native Title legislation that followed, profoundly changed the direction and scope of relations between mining companies and Indigenous groups in Australia. The term ‘native title’ is generally used to describe the interests and rights of Aboriginal people in land, possessed under the traditional laws and customs observed by the particular Aboriginal group.

Some mining companies in Australia had for generations been accustomed to almost uninhibited access to land, and since the nineteenth century their wealth had shaped non-indigenous Australia’s political, social and economic landscape. So the effect of this legislation cannot be overstated. For many companies, the Mabo ruling meant giving consideration to Indigenous groups for the first time.

2. The need for access

Following Native Title legislation in Australia, many mining companies were faced with the task of negotiating access to land with Indigenous groups, some of whom claimed ownership over the same section of land. Traditional Indigenous land tenure differs markedly from Western concepts of land “ownership” which contributed to this sense of confusion and delay with the land claims that followed Mabo.

Additionally, there were no time frames outlined in the Native Title legislation within

which negotiations concerning land access were required to be completed. Multiple separate native title claimants have added complexity to negotiations. One Memorandum of Understanding between a mining consortium and traditional owners took 18 months to complete, involved over 40 Aboriginal leaders and one of the largest Aboriginal Land Councils in Australia. There are widely differing opinions about the effectiveness of the Native Title legislation given the protracted and sometimes unsatisfactory outcomes. In some cases companies have sought direct agreements with Indigenous groups rather than work through the courts.

3. Reconciliation and pressure from the public domain

When Indigenous Australians first began to demand recognition 20-25 years ago, mining companies reacted by “going into the trenches”, according to one of our interviewees. He characterized the mining industry as “very defensive”, leading to “twenty years of extreme antagonism - campaigns of accusation and counter accusation.” One example of the mining industry’s response was a now famous advertisement featuring a black hand covering Australia produced by an industry body in Western Australia. The industry’s defensiveness, according to this interviewee, provoked a backlash from Indigenous Australians and many “urban people (who) didn’t react in ways mining companies thought they would”.

Following Native Title legislation, this interviewee recalls, one industry body “refused to speak with Indigenous groups”. As a result of this stance, this body was consequently judged to be an unsuitable body to represent the interests of the mining industry and was

effectively shut out of negotiations with government. This particular organization was subsequently dissolved and a new body established. This replacement is still considered to be minimalist in its advocacy for reform.

Since Mabo in 1992, public debate in Australia about the rights of Indigenous Australians has gathered renewed momentum from the early land rights movement of the 1970s. An investigation into the forced removal of Aboriginal children from their families in the 1950s and 60s led to the publishing of *Bringing Them Home* in 1997 (Human Rights and Equal Opportunity Commission). The findings of this report and subsequent debate about, for example, compensation and the need for a formal apology from the Australian Government, has contributed to widespread public support for reconciliation with Indigenous peoples. Following millennium celebrations in Australia and the Centenary of Federation in Australia in 2001, some Indigenous and non-Indigenous leaders have also sought a Treaty.

4. Industry innovation and the emergence of new “best practice” standards

Mining companies reacted with varying degrees of speed and resistance to Native Title legislation. Some mining companies chose to legally challenge Native Title in the courts for the first few years afterwards; but it became evident that companies that were the most successful in gaining access to land, were those “that did more than basic requirements and did more for Indigenous Australians”.

But following Mabo, two mining company Chief Executive Officers broke ranks with the industry and publicly and explosively declared their acceptance of native title and the new reality of land tenure post-Mabo. They both committed themselves to working with Aboriginal groups as key stakeholders in many future developments. Their stand attracted criticism and scaremongering that suburban Australia would be returned to original Aboriginal owners. (Reynolds 1999)

Environmental legislation introduced in the late 1980s led to the establishment of separate environmental divisions within most Australian mining companies in order to ensure compliance. Since Native Title, similar structures have been adopted to include indigenous issues within 'community' divisions; special departments within mining companies designed to oversee issues related to the communities with whom companies increasingly work more closely. It is now common for mining companies to be involved in the sponsorship of Indigenous educational, cultural and sporting activities. Also common is the practice of providing local Indigenous workforces with assistance with housing, education and training. One company has developed a separate Foundation for the sole purpose of assessing the merits of, and providing support to, Indigenous programs of various kinds. A board largely comprised of high-profile Indigenous men and women oversees this Foundation.

Cross-cultural training in Indigenous culture of some kind now takes place in Australian mining companies with up to 70% of operational mining staff in one company having completed training of this kind. This training is usually delivered by Indigenous groups

which in some cases has led to many senior members of mining companies travelling to remote areas of Australia to participate. Indeed, senior management endorsement of and participation in such activities, and their support of work with Indigenous groups generally, correlates with the success their company enjoys in gaining access to land. These training programs have also enabled Indigenous groups to derive considerable income from such ventures for the benefit their communities.

While the percentage of Indigenous employees in Australian mining companies is still low (0-10%) the shift in stance of mining companies and the development of policies in their work with Indigenous groups has led to positive influences on others in related industries. Employment contractors who regularly tender for contracts have begun to specialise in the provision of Indigenous employment in an effort to meet the requirements of some Australian mining companies.

Case Studies of Five Mining Companies

In the following table we summarise the key features of the mining companies from which we collected data. It is our contention that some of these characteristics, for example the stance of the CEO and the location and effectiveness of the person responsible for Indigenous Affairs (the Change Agent) are key variables influencing the way in which indigenous issues are integrated into human resource strategies and company strategy. With such a small sample, however, our hypotheses can only be exploratory.

Table I: Mining companies and their indigenous initiatives: key features

<i>Feature</i>	<i>Company 1</i>	<i>Company 2</i>	<i>Company 3</i>	<i>Company 4</i>	<i>Company 5</i>
<i>General profile</i>	Large company with Australian and international operations and interests	Small – medium company with mainly Australian based operations and interests	Large company with Australian and international operations and interests	Very large and old company with Australian and international operations and interests	Small and young company with mainly Australian operations and interests
<i>Native Title stance</i>	Early acceptance	Early acceptance	Recent and reluctant acceptance	Recent and reluctant acceptance	Early acceptance
<i>Leadership - CEO</i>	Instrumental in leading change	Instrumental in leading change	Wary of government stance and share-holder attitudes	Wary of government stance and share-holder attitudes	Given public support to initiatives
<i>Leadership – Indigenous work (“change agent”)</i>	Very positive, pro-active, continuing to improve and innovate	Very positive, pro-active, continuing to improve and innovate	Cautious, conscious of sensitivity to initiatives within company	Pessimistic about capacity to bring about change	Very positive, though exhausted
<i>Company structure for Indigenous programs</i>	Separate division for “Indigenous”.	Separate “community” division that has grown out of a similar model for “environment”	“Community” and “environment” grouped together as one division soon to be subsumed within other business units as part of re-structure	“Community and environment” grouped together as one division	One manager with responsibility for training staff
<i>Cultural Identification of Change Agent</i>	Non-Indigenous	Non-Indigenous	Non-Indigenous	Non-Indigenous	Indigenous

<i>Source and location of change agent</i>	Company headquarters in an Australian capital city and field work	Company headquarters in an Australian capital city and field work	Company headquarters in an Australian capital city	Company headquarters in an Australian capital city but most responsibility for delivery given to line managers in the field	Company headquarters in an Australian capital city and in the field
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All of the companies featured in Table 1 have worked cooperatively with government sponsored Indigenous programs and all believe that the government could do more in this regard. A few have also sought to engage with Indigenous communities more directly and at a variety of levels.

The stance and level of commitment of the CEO is probably the most important influence on a company's relations with Indigenous people. In the case of Company 1 and 2 in particular, the CEO has led change and given strong public as well as private support to the work of the change agents and their divisions within the company. Other CEOs, some very longstanding, are on record as opposing and then moving to a more conciliatory position on Native Title.

In all cases, change agents are located in company headquarters in an Australian capital city. This positioning helps to legitimise the role of the change agent and his/her division within the company. Yet this structure keeps the change agent at a considerable distance from the major mining projects, staff and Indigenous communities they seek to support

on a day-to-day basis. Change agents are pulled in conflicting directions and they have resolved this in different ways. In the same way that ex-patriates sometimes “go native” in their adopted country, some non-Indigenous managers exhibit similar signs of immersion in Indigenous culture and rejection of company culture. While their commitment undoubtedly contributes to the company’s success working with Indigenous groups, this pattern may also indicate the level of resistance from the wider organization that has necessitated their position. In effect, they find a greater sense of purpose and belonging with Indigenous groups than from their employer.

The tensions of the Change Agent’s role has been resolved in a different way by Company 3. It has ‘mainstreamed’ responsibility for Indigenous relations to line managers which allows customization to the needs of particular operations and communities. However, given the comparatively lower profile of Indigenous work within the company, the success of this structure then rests on the individual commitment and energies of line managers.

Indigenous affairs have typically been subsumed under ‘Community’ or ‘Public Relations’ divisions of company structures. This has tended to align Indigenous issues with other forms of ‘arms-length’ sponsorship or philanthropy, rather than making them part of strategy or human resource management.

The intentional or unintentional strategy of limiting work with Indigenous groups to these “Community” divisions could be described as being “PR-friendly” activities versus “HR friendly” ones. Activities that have not threatened the traditional functioning of a

company and which might simultaneously assist in improving public profile and share price, are more readily accepted by companies, especially those that have tried to adopt a human resource based approach. One company we examined is endeavoring to persuade senior and middle managers to adopt more inclusive approaches to the management of employees as a means of supporting initiatives involving Indigenous employees. While this approach is well-intentioned from an ethical point of view, it struggles to gain support within the company.

Historic and cultural factors contribute to the general resistance to change, but the almost non-existent number of Indigenous employees at middle and senior management level also makes change difficult. At present, almost without exception, Indigenous employees can be found only at the lowest levels of mining company operations owing to many of the discrepancies in the quality of life between Indigenous and non-Indigenous Australians described earlier in this article. Among white managers who intellectually embrace a more inclusive, culturally sensitive philosophy, unless they have Indigenous employees with whom they can involve in these new approaches, this becomes a strong argument for non-Indigenous employees to maintain the status quo. In addition to providing training in cross-cultural issues within companies, companies need to recruit Indigenous employees at more senior and management levels than currently.

It is likely that affirmative action style initiatives would be required to support this kind of recruitment, including the sponsorship of education and training and undergraduate and postgraduate level. In 2000, the Commonwealth Government announced a new

Indigenous Employment policy targeted at Chief Executives. The program included financial support for introducing training and apprenticeship schemes for Indigenous employees. But the policy appears to have had uneven results with those companies already known as leaders, increasing their programs while those without a supportive CEO struggle to have an impact.

Locating Indigenous relations within corporate affairs also enables companies to continue to control the language and discourse of initiatives. These are framed as ‘support’, ‘given’ to Indigenous Australians, and helps to perpetuate a paternalistic mentality. Companies, perhaps advised by their lawyers, have been reluctant to engage in any discussion of obligations, rights or duties.

While mining companies have improved their awareness and approaches towards Indigenous groups in Australia in the past 10 years, activities typically remain isolated rather than being part of a company-wide, or more strategic approach. Sponsorships and development programs also continue to be things that mining companies *do to* Indigenous groups. While companies undoubtedly work *with* Indigenous groups to complete activities, the tasks of deciding the nature and parameters of this support in most cases remains in the hands of non-Indigenous senior executives. Using Hage’s (1998) theory, Indigenous groups in Australia continue to be tolerated by the ‘tolerators’ of mining companies, despite improved intentions.

Finally, the influence of the political and economic climate on company activities should be acknowledged. In Australia, the size and history of some mining companies in Australia have helped them to develop political muscle that can demand considerable reciprocity from government of whatever flavour. Recent and public refusal by the current government to acknowledge or apologise for injustices enacted upon Indigenous Australians, may explain in part why some mining companies have felt disobliged to engage in a more meaningful, sustainable engagement with Indigenous groups.

How Organizations Adapt to Cross-Cultural Diversity

A great deal of work informs understandings of how organizations and individuals respond to cultural differences. We briefly review a sample of this work before introducing our own model.

An early body of research focused on how members of minority groups adapt as they move into distinctly different cultural worlds. This literature outlines a process of identity conflict and search experienced by members of minority groups as they experience environments which deny or devalue their cultural heritage (see Bell and Nkomo 2001 for recent data). The stages typically include

1. Pre-encounter : where white dominant culture is assumed and racio-ethnic background is denied or rejected
2. Encounter : where racio-ethnic identity is discovered
3. Immersion : racio-ethnic identity is embraced and dominant culture rejected

4. Internalization : comfort with racio-ethnic identity and reduced hostility and anger towards dominant culture
5. Internationalization/commitment to fighting racism

Early models are now seen to have often been built on the flawed assumption that the process of acculturation is a problem only for non-dominant groups. The models also tend to individualise, pathologise and simplify a highly complex structural process, treating acculturation as a matter of individual development towards “higher stages” (“higher” because there is less hostility and anger – even though that hostility may be rationally-based).

Implied by this early work was the idea that racism is somehow finally and completely transcended into a permanent and fixed identity. Subsequent work on racism shows that racism is rarely so readily eradicated (Sinclair and Wilson 2002) and that processes of removing racism involve ongoing interrogation of individual and societal ideas, actions and history: it is a life-long journey, not a passing stage. Postmodern research on identity construction suggests that identities are never firmly and finally fixed. Rather we are constantly engaged in political and social processes of identity construction and deconstruction and it is likely that our identities will, at any one time, contain competing and conflicting performances. We might be tolerant and open in one context and demonstrate strong un-acknowledged prejudices in another.

Other researchers have focused on stages of acculturation and identity development among dominant groups. These models typically locate, at the initial extreme, a condition of denial and ignorance that differences exist (or active ethnocentrism), through phases of learning about “others” and constructing and testing stereotypes about various cultural groups, with later stages characterized by cultural awareness which is grounded in one’s own gender and racio-ethnic identity (Bennett and Bennett 2001; Cope and Kalantzis 1997). The focus of this more developed awareness is not how we see others but how and what we know about ourselves, including how individuals within social structures actively construct “the other” as foreign, inappropriate or exotic, to legitimize and strengthen a personally beneficial status quo.

Emerging from some of the cross-cultural studies of international organizations are categorizations of organizational responses as a more dominant cultural group, seeks to incorporate or merge with a distinctly different group. This process is also described in the literature as acculturation. The stages are:

1. assimilation: The dominant organizational culture is the standard of behaviour and managers expect newcomers to learn to act like the locals as quickly as possible and with minimum disruption. The new entrants to the organization are expected to adapt their appearance and ways of interacting to the dominant norms and the more completely they accomplish this task the more they are judged as successful.
2. separation: Culturally-different entrants to the organization are actively or implicitly isolated by, for example being restricted to certain roles in, or branches of, the

organization: a phenomenon known as “ghettoisation”. Exchange between the culturally different groups and the dominant groups is typically limited, token and uncomfortable. Both the dominant and non-dominant group may foster practices which increase separation.

3. de-culturation: Where neither culture is pronounced or influential, the cultural identity of both dominant and other groups may remain ill-defined.

4. pluralism: The defining characteristic of pluralism is a two-way learning process whereby the dominant and pre-existing culture is modified in interaction with the insights of the newer group and they also modify some of the behaviours and norms they have brought with them to the organization. An important value in pluralist cultures is an affirmation of the value of “micro-culture group identity” (Cox 1994: 167). Cultural differences are not expected to dissipate but some convergence around organizationally salient norms will co-exist with expressions of difference.

The models emerging from the Managing Diversity literature utilize similar criteria in identifying how organizations respond to difference. A distinction is introduced between valuing diversity – where a “live and let live” philosophy applies - and managing difference where the organization more actively seeks to “manage” diversity towards instrumental business outcomes.

From Australian experience emerge models based on social policy ideals of multiculturalism and “productive diversity”. For example, Cope and Kalantzis (1997) develop a stage model that culminates in the multicultural organization. At a public policy level, diversity has been positioned and marketed as something that will deliver business benefits, such as improving employee retention and increasing innovation. In part this move was seen to be necessary to “bring on board” business audiences who are skeptical of Affirmative Action and resistant to government regulation in prescribing, for example, employment policies for minority groups.

One of the unfortunate legacies of the rush to substantiate the economic benefits or “business case” for diversity has been to drive out and render inadmissible the moral or social justice arguments for diversity. For example, arguments for fairness and representation, to redress suffering or injustice, become cast as “soft”, articulated only by the “bleeding hearts” or those wearing “black armbands” (supporters of Indigenous rights), who don’t understand business imperatives (Sinclair 2000).

A body of critique of multiculturalism has also emerged in Australia which casts the multicultural rhetoric as a veiled means of sanctioning White supremacy (Hage 1998). According to this view, public discourses of multiculturalism, tolerance and pluralism have helped to strengthen and reinforce a deeply racist structure in Australian society (Thompson 1994), whereby those with the power to be “tolerant” are called upon to withhold their intolerance, without problematizing structures which divide society into the tolerated and the tolerators.

An Ethical Model of Indigenous-White Organizational Engagement/Integration

Much of the discussion, in business circles, of relations with Indigenous communities has been circumscribed within the corporate affairs or stakeholder management frameworks. There is a silence about ethical justifications for building relations with Indigenous communities and how ethics might influence what is done. Our view is that there are more (as well as different) things at stake here than in other areas of corporate affairs. It is not simply a matter of adding one more stakeholder group that needs to be consulted and managed.

Similarly not widely canvassed is the relationship between the law and ethics in Indigenous relations. Legislation, such as Native Title has provided an impetus for reform and established a baseline of minimum practice. But there is no corporate watchdog monitoring corporate behaviour as exists in other areas of, for example, accounting standards or corporate governance. Recent rejections of long-running claims by Indigenous peoples to native title have also been regarded as evidence that the law has failed as an instrument of reform and the tests of Indigenous occupation the law requires do not recognize the historical facts of dispossession.

All cross-cultural research should proceed warily in establishing 'absolute' ethical values or criteria (De George 1986; Donaldson 1996; McDonald 2000). In this case, the context

is not the international operation of multinationals but the ethics of respecting and working with Indigenous communities in culturally-responsive and respectful ways.

In philosophical and legal circles a common way to invoke ethical practice has been to establish basic human rights that should not be violated. However, Judith Shklar (1984, 1990) argues that, rather than starting with human rights, we should put cruelty at the centre of any ethical analysis. Our duty to minimize cruelty and suffering is an overriding and robust one because it evaluates conduct from the point of view of those on the receiving end. It allows that, for example, deprivation of contact with land might impose particularly heavy suffering on a people with a strong spiritual attachment to land.

Depriving white Australians of their land would amount to less cruelty in most cases. It avoids the ethnocentric traps of trying to come up with absolute or 'all-purpose' lists of human rights which will apply in all situations and treats respecting human rights as not an end in themselves but a means to the end of minimizing cruelty and fear. Shklar's analysis of taking cruelty as the starting-point is also appropriate because she shows how religion and religious values have often been used to clothe cruelty in moral value : a 'species of cruelty liberally laced with piety' (1984: 12). One cannot assess ethical obligations to Indigenous Australians without recognizing the cruelty inflicted by religion, for example, by removing children from their parents to be brought up in missions. Further, Shklar shows that the infliction of cruelty is made possible by perceiving the victims to be sub-human and without feeling. This was a common argument used when removing children from their Indigenous mothers – that those mothers were without maternal feeling.

Responding to some of Shklar's concerns, the following ethical criteria do not take the form of admonitions or overarching rights to be respected but look to the intention and process of acting ethically as well as the outcomes.

1. Two-way learning and adaption. Until Cross-cultural training is truly a mutual sharing of cultural knowledge of both Indigenous and non-Indigenous groups, and this knowledge is incorporated into company-wide divisions, mining companies will continue to be paternalistic, tokenistic and ultimately self-interested, in spite of the efforts of many genuinely committed Indigenous and non-Indigenous people within the industry. Those companies who appear to exhibit a high level of comfort with the policy of working with Indigenous groups, nevertheless do so with the knowledge (and the source of the comfort perhaps) that this work is taking place in a separate section of their company, and therefore does not affect their day-to-day working life.

A process is more likely to be ethical if its communication, learning and change processes are two-way. The process is not a paternalistic one of "training up" the minority group while assuming that dominant group has no need to learn anything. An ethical process would be one in which the leadership or management group has built into their ongoing developmental processes, opportunities to be exposed to and learned about, for example, indigenous processes of sustainable environmental management. This training

is regarded as integral to leadership training rather than an “add-on” of cultural sensitivity. One of the outcomes of these two-way processes would be knowledge of, and respect for the two cultures built on personal interactions and relationships.

2. Long-term sustainable relationships between individuals and communities. A process that involves only a short-term relationship shared by two individuals is less satisfactory than one that would continue even after these individuals had moved on. The value put on long-termism acknowledges the importance given to history and ancestry in Indigenous culture. The definition of morally-desirable practices would be those that do not rely on the leadership of one or two individuals. These practices would be integrated into the systems and structures, outliving individual relations and showing a capacity for ongoing institutional adaptation.
3. Power sharing. This criteria is a highly contentious one, but it is our belief that unless the dominant group is prepared to share a level of power over some aspects of the relationship with a minority group, then organizational initiatives will remain token and paternalistic. This power sharing may take the form of advisory structures in which there is commitment to follow through on the outcomes even if they are not initially palatable to organizational representatives. It may take the form of a genuinely devolved structure in which there is the opportunity for decisions to be made and

implemented as a result of Indigenous input. An unethical structure would be one where, despite active engagement with Indigenous peoples, the structure of power and decision-making remained absolutely intact with Whites.

4. Indigenous communities as valuable in themselves. This criterion builds on Kant's categorical imperative that individuals should never be treated only as means to an end but should be treated as important ends in themselves (Forsyth 1992). An organizational initiative which treated an indigenous employment program as a means of gaining kudos in the market, would clearly violate this criterion. In contrast, an ethical company would support the value and significance of indigenous culture as an end in itself and needing no further justification.

This criterion recognizes that intention and motivation, not just outcomes, are an important part of acting ethically. The process of weighing intention is a complex one, particularly in the case of an organization, where intention may arguably be nothing more than the collective intentions of many individuals (Wilmot 2001). However this difficulty should not mean that we disregard motivation altogether, and the work of Shklar on seeking at all times to minimize cruelty and humiliation might be a good place to start.

Taking these four criteria into account and building on some of the models of cultural adaptation, we postulate a continuum of stages (Figure 1) through which companies

might pass in their ethical development in relations with Indigenous communities. While clearly there are additional challenges in pinpointing a company's stage of development (as employees will individually occupy a range of positions), based on our work we believe it is both possible and valuable to identify the collective corporate ethical position.

Insert Figure 1 about here

Most Australian mining companies were at the first stages of Hostility and Ignoring/Neglect until the last decade of the twentieth century. Due to some of the events we describe in this paper, companies moved into the Instrumental Pragmatism and Paternalistic Sponsorship stages during the 1990s where there was increasing recognition that their reputation and their license to operate were dependent on building better relations with the Indigenous communities who populated the regions in which they mined. A couple of companies are intermittently occupying the Multi-level Interaction and Two-way Learning stages where the intention is to learn from and develop respect for Indigenous cultures through multiple levels of interaction including corporate and Indigenous leaders. These outcomes are valued for a mix of reasons – because they are seen as the right thing to do as well as to reinforce long-term commercial interests.

Towards the Enduring Engagement phases we would expect to see two-way cultural learning and adaptation, enduring relationships which encompass but extend beyond individuals, a recognized level of power-sharing and a set of intentions and motivations articulated at the leadership level which go well-beyond self-interest, take history into account and actively seek a relationship which minimizes cruelty and suffering. These activities and intentions would be built on a deep respect for Indigenous cultures and an acknowledgement of their traditional roles as custodians of the land that was widely-felt by corporate employees. None of the companies we researched has reached the Enduring Engagement stage, although at least one has some employees and leaders who are striving to reach this stage.

As with any staged model of development or ‘progress’, some qualifications should be noted. First, progress along the continuum would not be inevitable and there are likely to be examples of companies regressing or plateauing in their stance. Also, the stages that we have included reflect our analyses of the particular history and issues at stake between the Australian mining industry and Indigenous communities. In other situations of corporate relations with stakeholder groups it would be expected that other ethical values be represented as major staging points in the development of company thinking.

Conclusion

In the expanding and important area of corporate relations with Indigenous communities, there has been relatively little evaluation and assessment of activities and obligations from an ethical point of view. Taking the example of the mining industry in Australia and a focus on human resources strategy, companies are increasingly responsive to Indigenous issues and are seeking to build better relations with Indigenous communities.

However most of these initiatives have been undertaken in an ethical vacuum and corporations seem reticent about framing their relations with Indigenous communities in other than commercial terms. Typically the justifications for these changes are economic, providing a 'license to operate' or the need to build a better public profile.

Drawing on cross-cultural, managing diversity and other research, we have suggested some ethical criteria which might usefully discriminate different stages in the evolution of corporate relations with Indigenous communities. We have also argued that the history and conditions of white Australia's relations with Indigenous communities, introduce an extra requirement for ethical practice that do not apply to other stakeholders or interests typically bundled into the Corporate Affairs category. Recognising these differences is an important part of adopting an ethically, as well as economically-justified path forward.

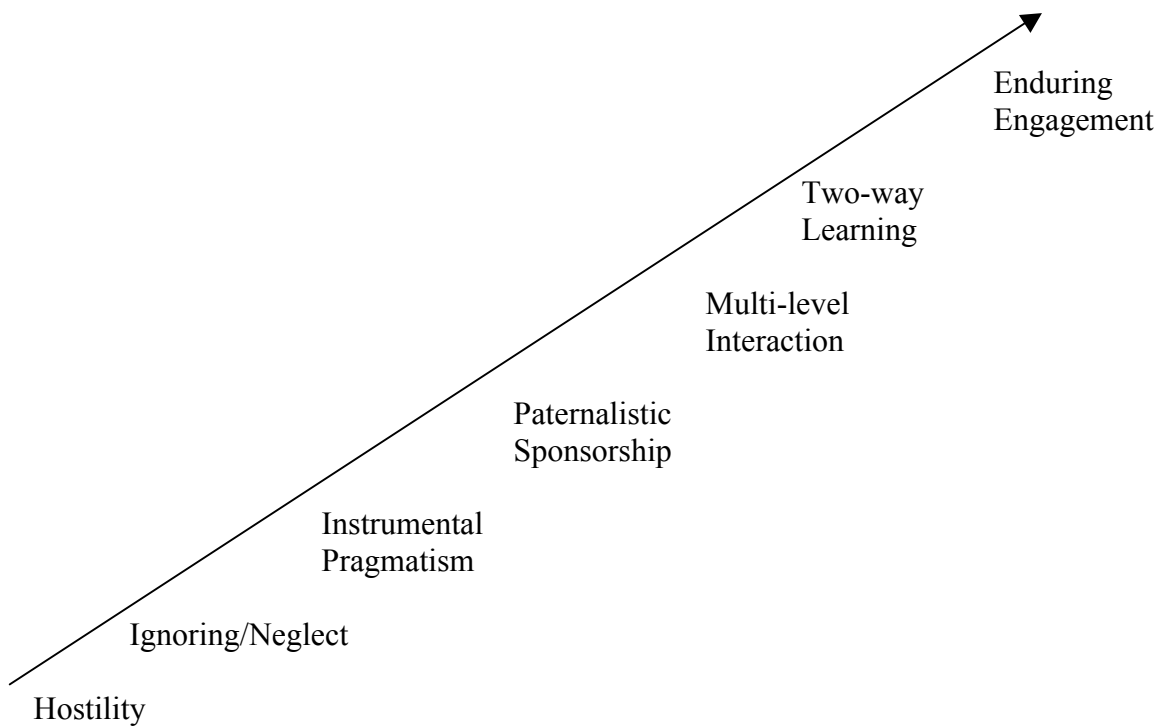


Fig. 1 Stages of Corporate Ethical Development in Relations with Indigenous Communities

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