# UNDER CORPORATE SKIES

A STRUGGLE BETWEEN
PEOPLE, PLACE AND PROFIT

MARTIN BRUECKNER AND DYANN ROSS



## FOREWORD ERIN BROCKOVICH

I first became aware of the health problems members of the Yarloop community were suffering when a resident of Yarloop emailed me in 2007. People living near Alcoa's Wagerup alumina refinery (opened in 1984) had been reporting a disproportionate level of respiratory problems, skin irritations, sore throat and eyes, extreme fatigue, mental dysfunction, stomach upset, blood noses, cancers and organ failure for more than a decade. These claims were regularly reported in the media, and were the subject of an expose by the ABC's Four Corners program in 2005.

The symptoms immediately rang a bell for me — as indeed they had for the ill woman who contacted me. They reminded me of the illnesses experienced by the people of Hinkley, California in the case of groundwater contamination that started me on the path of community and environmental activism more than a decade ago. There was also the matter of a housing buyback scheme run by Alcoa, and that made me suspicious. When industry comes in and starts buying homes, you want to look closely at what's going on.

So in my first work outside of the US, I became involved in the efforts of the people of Yarloop (and nearby Hamel and Cookernup) to get their concerns addressed by the multinational corporation, Alcoa, and also by the state government of Western Australia who, despite the report of a Parliamentary Inquiry that expressed concerns about the health issues, nevertheless approved a major expansion of the refinery in 2006. Alcoa, meanwhile, repeatedly insists that the refinery is safe for both residents and workers, citing as proof the (immaterial) fact that it is one of the most studied industrial facilities in Australia.

Vince Puccio, Yarloop resident and co-chair/spokesperson for the Community Alliance for Positive Solutions action group, has said that for the residents, 'It's about accountability and for them to take full responsibility for what they've done.' But how do you get governments and companies of this scale to be accountable to a small, local group of people for a problem that they won't even admit exists? The social and environmental costs of industrial growth are too often sidelined in favour of the financial profit that it brings.

In 2007 I visited Western Australia, though I did not go to Yarloop itself — I have been made sick myself, and lost years of work, from exposure to poisonous chemicals, and I wasn't going to put myself in the way of that danger again. Nevertheless I helped to build the legal action case and in 2009 the lawyers acted on behalf of the residents and lodged a writ with a US court on the basis that Alcoa knowingly, negligently and recklessly operated its factory, poisoning surrounding communities with toxic emissions and that they concealed the toxic dangers of their refining operations.

There are many issues at stake in this conflict between the community and the corporation, but what has always concerned me most in such situations is to expose and challenge the deceits and cover ups that end up jeopardising public health and safety. I am an advocate for awareness, the truth, and a person's right to know. I believe that without the truth, we are helpless to defend ourselves, our families and our health. On that count alone this book makes an important contribution to a more informed public in the matter of the Wagerup refinery.

But while local communities should be assured of the right to the truth, they should also be assured of the right to be heard. As people who have long dwelt in a community, and who wish to be able to continue to live there with

their families and neighbours without undue fear for their health, they should have a say in decisions which affect their environment. Even the Parliamentary Inquiry found that Alcoa 'failed to adequately recognise and respond to the complaints it received from workers and the local community,' and that Alcoa and the government failed to offer an unequivocal and comprehensive response to 'a range of extremely serious and complex issues at Alcoa's refinery'.

And that is another reason why the work of Martin Brueckner and Dyann Ross in this book is so important. They set out to provide above all a platform for the voices of the community — the least powerful people in this conflict — to be heard. As the authors point out, the people of Yarloop speak from a deep-rooted local knowledge. To fail to listen to them is to shut off an important source of lived experience and information that speaks directly to the many challenges of creating sustainable industry. They know the consequences. They live with them.

It is not only the health of individuals and the natural environment that is affected, there are social impacts too. In the words of one of Yarloop's residents cited here, 'This whole town has been fragmented, it's been divided, you call it whatever you want, but it doesn't even have 10 per cent of what we used to have as a community, and we had a very strong community here.'

Well, events are still unfolding at Yarloop, and I think that this book will play some part in strengthening the sense of morale and community among the people whose lives are still on the line

> Erin Brockovich May 2010

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### INTRODUCTION

This book has been written to provide a space for the marginalised voices in a long-running conflict between residents of the town of Yarloop in Western Australia and their corporate neighbour, Alcoa World Alumina Australia. For years residents have struggled to be heard in their concerns about Alcoa's Wagerup alumina refinery which is located a few kilometres away from the community. We present the local stories about life under corporate skies as we explore the problem of balancing the needs of economic development with people's health, wellbeing and place, and environmental quality.

In fact all parties in the conflict – community, industry and government – get to tell their stories here, though we unabashedly side with the least powerful participants: the community members who are affected by the presence and activities of their corporate neighbour. For these people suffer a lack of resources and access to decision-makers to defend themselves and improve their situation. Because of this power imbalance, we give voice to those unable to be heard in the spheres where politics and economics meet and decisions are made about the fate of regional sustainability.

When we embarked on writing this book, we were both academics working at Edith Cowan University (ECU) in Western Australia, though in different disciplines and on different campuses. We separately began researching the Wagerup controversy several years apart and from quite different starting points. Dyann conducted a two-year action research study in 2002 funded by Alcoa Wagerup at the height of national media reports based on protests from the residents about pollution from the refinery. The aim of the research was to enable dialogue between the company

and the community. Dyann and other ECU researchers facilitated a range of forums for identifying and trying to solve the shared problems, with the conflicted nature of company–community relations the main focus of the research.

In 2005, Martin became involved in the conflict in response to concerns by Yarloop residents about the impacts of the Wagerup refinery on their community. The following year he secured independent funding through an ECU research grant to study local experiences of the controversy. Despite the two-year gap between the two projects, there was substantial congruence between the local stories over the period and a worrying persistence of the issues fuelling the conflict.

Material on the public record and the non-restricted documents produced by Dyann's research are used in the book to establish the context and parameters of the issues. Martin's research, based on in-depth interviews with residents, company personnel and government officials, provides rich and contested descriptions of the struggles over what constitutes sustainable development in the region. Overall, during the course of our respective research projects, we spoke to over 500 people between us. This group included twenty-five state government officials and government department staff, twenty Alcoa managers, fifteen independent consultants and advisors and more than 400 community members.

Based on accounts of the complex and difficult relationships between residents, their corporate neighbour and their elected leaders, we try to shed light on the dark side of today's largely unquestioned development agenda, traded internationally under the umbrella term of

#### 'globalisation' [1].

One aspect of this 'dark side' is that not everyone benefits from the current global economic experiment [2]. We show that the benefits usually assumed to result from economic development can largely fail to materialise for local people, in particular those communities at the coalface of development – society's 'disposable humanity' [3, p. 189] living downwind of a multinational company's pursuit of maximum returns.

Yet these same communities can offer the most pertinent responses, based on local knowledge and experience, to the human and environmental dilemmas that an uneven development path brings [4]. For this reason alone it is important to provide their stories and points of view on what matters locally, and examine the implications of these for government policy and corporate conduct.

This book was written during a period of unprecedented economic expansion in Western Australia. Large-scale resource-based developments make WA a principal driver of the nation's economic growth and are a key source of wealth creation [5]. While the state's resources boom receives much attention in terms of the economic benefits and flow-on effects it delivers, little attention is paid to the conflicts that can ensue between industry and local communities. WA is particularly prone to such conflicts due to the coincidence of resource rich areas with human settlements and areas of high biodiversity value [6; 7]. Rising global demand for natural resources renders increasing conflicts between local communities and industry interests almost inevitable.

To this day, the nation's economic advancement has remained a policy priority for state and federal governments alike. Typically, governments foreground benefits such as employment and prosperity, and celebrate win-win outcomes for companies and communities, while being hostile to views critical of their development agenda [8]. Political and corporate elites — those at the helm of government and economic institutions — assume that society supports these development goals and accepts any potential social and environmental costs their pursuit might entail.

The stories in this book, however, foreground a power imbalance between the pursuit of corporate profits and a government's desire to provide an environment conducive to business on the one hand and a community's rights to health and safety on the other. Indeed, these stories make explicit the sustainability dilemma of balancing the pursuit of environmental, social and economic goals, and challenge the assumed acceptance of economic development regardless of cost.

Together, these stories highlight the need to negotiate conflicts arising out of profit, people and place [9]; to care for those affected; and to seek ways in which the adverse impacts of development can be mitigated. While this book cannot solve the local conflict addressed here, it maps and explores its dimensions and dynamics in the hope that by making explicit the different stories on local and regional sustainability, a better understanding of the underlying issues can be obtained. This may serve to inform and possibly avert future conflicts and help improve industry-community relations. It is also our intention that the space provided here may create room for dialogue between the parties, for healing and the mitigation of harm.

The chapters in this book paint a picture of regional sustainability under threat. If the current path is to serve as a blueprint for future development in Western Australia, the resilience of many more local communities and places is likely to be tested and threatened. Thus we argue for a form of partnership building that enables industries, governments and their electorates to meet as

equals. Partnerships such as these, based on a common understanding of progress and development, help achieve a shared and sustainable vision, which provides not only for society's material needs but also serves to protect what matters locally: people and place.

Chapter 1 introduces the town and the company involved in the conflict. It also sets out some of the ideas underlying our understanding of the local issues and the analytical lenses we employ to make sense of them – the concepts of sustainability, governance and corporate social responsibility that guide our understanding of the industry–community conflict in Yarloop.

In Chapter 2 we map the history of the Wagerup conflict in greater detail and contextualise the points of contestation that have fuelled it.

In Chapter 3, local people share their experiences of life under corporate skies, providing a detailed account of the ways in which their lives, the community and the environment have been affected by their corporate neighbour.

In Chapter 4 we bring in viewpoints from Wagerup company managers and other company personnel, along with Alcoa's own promotional material about its refinery and community relations. We highlight points of difference as well as commonalities between the dominant corporate discourse on regional sustainability and the marginalised discourses of community members detailed in the preceding chapter.

Chapter 5 introduces the role of government in this conflict, including the viewpoints of some key politicians and government officials. Extracts from relevant public documents further explain the different perspectives on regional sustainability pertaining to Yarloop. In this chapter we address the problematic role of government charged with the responsibility of balancing the needs of

industry and community.

In Chapter 6 we map and analyse the conflicting discourses presented in earlier chapters, focusing specifically on the nature of corporate and government conduct and community responses to it. The analysis concentrates on the use of power and knowledge and their respective impacts on local people's identity and sense of place. The contradictions, tensions and silences we discover point to the heart of the sustainability dilemma in regional areas where industries are located in close proximity to towns and high-value ecosystems.

In the final chapter we return to the debates about governance and corporate sustainability. responsibility, analysing the stories presented in previous chapters in light of these concepts. We focus on the lessons to be learned and call for renewed effort by government in considering regional development, industry-community relations and environmental sustainability from the standpoint of, and inclusive of, an informed, active citizenry. We articulate new rules for a compassionate, socially just and accountable corporate engagement with communities as the basis for long-term corporate viability and as a prerequisite for future sustainability. We highlight the importance of the public asserting and reclaiming its legitimacy as a stakeholder with power. Only through the involvement of communities will it be possible to effectively balance and negotiate social and environmental trade-offs and competing claims for resources - the crux of today's sustainability challenge.

The conflict surrounding the Wagerup alumina refinery is still evolving. To this day, no amount of Alcoan money spent to improve aspects of the company's operations, or government support programs to remedy the situation for the nearby towns, has changed the conflict dynamics or stopped the harm and loss for the local communities.

#### CHAPTER 1

## A SMALL TOWN AND ITS CORPORATE NEIGHBOUR

#### YARLOOP AND ALCOA

The town of Yarloop, home to approximately 600 residents [1], is located in Western Australia's rich agricultural country on the fertile coastal plain between the Darling Range and the Indian Ocean, about 125 km south of Perth, the state capital. The town was once the cherished home of its residents who saw in it a 'slice of paradise', as some locals recalled:

It's just a beautiful little spot ... It's just idyllic. It's a very pretty town and it had everything we wanted. You really couldn't want much more. (Yarloop resident)

Just so different from Perth. Quiet, nice little community. Green, clean, just the sort of place you want to go to get away from Perth and the stress of big business. (Yarloop resident)



A beautiful little spot (Photo by H. Seiver)

White settlers first arrived in Yarloop in 1849 and their industry heralded Yarloop's long and proud history as a timber town. The town later also became known for its large steam engine works.



A cohesive community: members of the local CWA (Photo by H. Seiver)

Many of the Yarloop residents who feature in this book have a long-standing connection and history with the town. Unsurprisingly, ties such as these help create a strong sense of place and belonging.

Yeah, my grandfather was there and my greatgrandfather and great-great-grandfather. Yeah, it goes back a long way. (Yarloop resident)

Dad's family came there in 1910, 1911. Mum was born in Yarloop. They came in 1906, so 100 years of history we have associated with that town. It's very hard to walk away from. (former Yarloop resident)

The town has been much loved by its long-term residents for its strong sense of community.

The social connection, the friendship, the people looking after each other, the way this town was close

and worked together. If someone had a problem, there was always someone there to help you out or look out for you. (Yarloop resident)

... even though it wasn't a huge community it was a very strong community and the sort of community where everybody knew everybody; everybody looked after one another ... (Yarloop resident)

Then in 1984 Alcoa's Wagerup alumina refinery began operations, only two kilometres from Yarloop. Alcoa is one of the world's largest producers of aluminium. The US based company oversees operations in more than forty countries and employs close to 130,000 people globally. In Australia, the company trades under the name of Alcoa World Alumina Australia. It operates two smelters and a power station in Victoria, aluminium rolling mills and recycling plants in Victoria and New South Wales, and three alumina refineries and two bauxite mines in Western Australia.



Alcoa: the multinational next door (Photo by John Harris)

In Western Australia, Alcoa's workforce of about 4000 people produces around 7 million tonnes of alumina each year, accounting for 13 per cent of total world demand and resulting in export earnings of around A\$2.8 billion [2; 3]. Alcoa prides itself on being a significant contributor to the Western Australian economy as well as a socially and environmentally repsonsible business. The company's achievements in these areas are recognised both nationally and internationally [4; 5].

#### THE CONFLICT

Since the mid-1990s, residents and Alcoa workers have reported symptoms such as frequent blood noses, headaches and nausea. No causal link has been formally established between the refinery's emissions people's health, and the matter has been the subject of much local, national and international media coverage. even a Parliamentary Inquiry. The conflict between the community and the corporation has prompted numerous research projects and given rise to sustained local activism. The Standing Committee on Environment and Public Affairs [6] held an inquiry into a wide range of concerns raised by community members. The issues that formed the terms of reference for the inquiry (reported in 2004) are shown below, together with recent statements by residents demonstrating that the issues are not yet resolved.

#### **Public health**

And my skin, I get burnt. It's like a radiation thing. You also have bladder problems and it affects your bowel, it affects your moods, it affects your skin, see my skin is horrible. I can't explain; my stomach is always sore after I've been outside and stuff has come on me. (Cookernup resident)

#### Loss of amenity

There was the pub, there were the shops. There was a butcher, hairdresser, and it was a real community. You could walk around it and the grandchildren would come down, and then you just watched it all disappear. (Yarloop resident)

#### **Social impacts**

So this whole town has been fragmented, it's been divided, you call it whatever you want, but it doesn't even have 10 per cent of what we used to have as a community, and we had a very strong community here. (Yarloop resident)

#### Alcoa's land management strategy

When Alcoa made their buffer zones, they put this dividing line in and then they made two, three classes of people. Area A was looked after ... But the B area people were only offered market value. The C area [people] weren't offered anything. So there was infighting, the town people on one side of the fence were fighting the other side of the fence. So that's the beginning of all the changes. (Yarloop resident)

Responses to community concerns by Alcoa and successive state governments over the last decade have only served to increase the intensity of the distrust. Initiatives taken by the company were met with suspicion by locals, for they felt that:

... [The company] tried to cover up exactly what was happening; they tried to say that it was safe; that there was nothing to worry about. (Yarloop resident)

Suspicions were further heightened by the way in which the company was seen to engage with the community and to respond to its concerns: They came in and they dish[ed] out promises and promises, but they're lies and lies and lies. They end up doing what they want. They're a bully. They kick the little guys when they're down, and there's no compassion at all there. (Yarloop resident)

Many residents felt betrayed by their elected leaders in state government who they thought:

... were supposed to be watchdogs. They're supposed to be protecting the basic rights of their citizens. And it's the UN that said ... that it's a basic human right to have a clean environment to live and work in. And I think the government is there too, yes, to see that our society stays afloat, that its economy should be looked after, granted. Development needs to be sustainable. They need not be short-sighted. But, certainly, the rights of their taxpayers and their residents need to be protected. The environment needs to be protected. And if you look at what's happened down here, they have failed miserably. (Yarloop resident)

Residents took exception to the fact that their concerns appeared to be downplayed by the authorities. It seemed that 'the corporate dollar was outweighing the health of the community and the environment' (Yarloop resident).

Events are still unfolding in Yarloop. In 2006 the state government approved a major expansion at the Wagerup refinery – despite community concerns and reservations voiced by the WA Health Department [7] as well as independent medical experts [8]. The decision was announced by the former Minister for the Environment, Mark McGowan:

I have decided to grant environmental approval to the expansion of the refinery subject to 42 conditions dealing with project design, emissions, noise, dust, water management and residue disposal. The conditions I am proposing are more stringent than those recommended by the Environmental Protection Authority (EPA) and will make the refinery one of the most tightly regulated in the world. [9]

Scores of local submissions to the EPA against the expansion referred to loss of social amenity, harm from fear and the effects of pollution, as well as concern for devalued assets and loss of family and friends from the area. One example is provided here in full to convey the emotional upheaval experienced by local residents.

#### Local Residents' Submission Against Alcoa Wagerup's Expansion 23 July 2005

We wish to let our views and concerns be known about Alcoa's efforts to get an expansion at its Wagerup refinery. This is totally unacceptable to us and threatens our sense of safety and wellbeing after what has already been years of adverse social and health impacts from the refinery.

We lived in the northern fringe of Yarloop happily for many years until Alcoa installed the liquor burner in 1996. Since that time Kay has suffered quite debilitating health effects from direct exposure to airborne pollution from the refinery. Alcoa staff have even witnessed her vomiting and her distress when responding to our complaints. We have kept a detailed logbook of all the times we have lodged a complaint with Alcoa, each time corresponding with personal suffering on my part in witnessing my wife's failing health. There was a period when I was really concerned I was going to lose Kay due to the

deterioration in her health. She became trapped in the house, which is no way to live.

Neither of us wanted to move from our home and close contact with long-term friends in Yarloop. But as Kay was so unable to lead a normal life we had no choice than to eventually take up Alcoa's offer to sell to them. We bitterly resent having had to do this and haven't yet recovered from the loss of our home in Yarloop. We are now living in Cookernup and, with all this talk of an expansion at Wagerup, are experiencing a heightened fear that we will now be impacted here as well.

In the last month I have had several nosebleeds which is very alarming as I haven't had any since leaving Yarloop. One of the nosebleeds occurred when I was visiting a friend in Yarloop. We are worried that it will continue and get worse for us and it doesn't make sense that Alcoa says the expansion will not result in an increase in noise, air pollution and the like. As it currently is, it's a problem so we can't in good conscience believe them that it won't be in the future.

Not only have we lost many of our friends who felt they had to leave for their own safety and to protect their financial interests but we still find many of our conversations in the community dominated by talk of Alcoa. This industry is impacting too much on our everyday lives and is much too determined to have its own way at our expense. There is already plenty of evidence that Alcoa and the government are aware of the social impacts of the refinery operations on these communities. What seems to be happening is a quick patch-up by throwing some money to some community groups and thinking this fixes everything. It is much too soon to be expecting those of us who

have been so seriously threatened by Alcoa to be presuming an expansion is acceptable. People and communities need to feel safe and able to survive with the current levels of production before an expansion is even considered. That there is an increase of large proportions in their production already happening leaves us disturbed. How is this happening even before the current application is heard?

We are also alarmed at the West's report of a spill at Wagerup this week. This is no surprise to us and we suspect the delay in them reporting their claim that it wasn't, according to their judgement, a risk is political, as the last thing they want at the moment is such adverse public attention.

We are concerned that the little people who are most impacted and least able to run weekly advertising programs about our experiences (compared with Alcoa in recent months, promoting their credentials and how good the expansion will be for us all) will not be heard. Alongside this we have no confidence that Alcoa knows how to be good neighbours to those of us who are badly impacted.

It can't be left to them to say what we need and what the social initiatives they can provide are. They have yet to fix the problem and yet are pushing for an expansion for purely economic reasons. This feels to us like a blatant disregard for recent history and the continuing controversy about the social impact in this area. We are just one example of how the situation is still affecting local folks.

Despite widespread opposition and the many public submissions echoing the local concerns captured above, the expansion was approved in September 2006. The company welcomed the approval by the state government, speaking of a win-win outcome for both Alcoa and regional communities.

#### Green light for alumina refinery expansion

Alcoa World Alumina Australia Managing Director, Wayne Osborn, said the planned expansion of Alcoa's Wagerup alumina refinery will provide major social and economic benefits for Western Australia. Speaking after the WA government today gave formal environmental approval for the project to proceed, Mr Osborn said the expansion would create over 1500 construction jobs as well as 3000 direct and indirect jobs, including 260 new permanent Alcoa jobs.

'Alcoa has committed to implementing the expansion with no increase in noise, dust or odour impacts, and extensive scientific investigations have shown both the existing and expanded refinery are safe for our employees and neighbouring communities,' Mr Osborn said. 'Regional businesses and communities would also reap the benefits of significantly increased local spending. The Wagerup refinery already spends over A\$40 million a year with businesses in the local area and this will rise sharply.' [10]

#### GLOBAL AND REGIONAL BENEFITS — THE LOCAL COSTS

The stories presented in this book convey competing perceptions – by town residents, company personnel and government spokespeople – of gains and losses as well as acceptable risk. Government approval of Alcoa's expansion dovetails with its agenda to drive economic growth in the state – hardly controversial since economic development is assumed to improve the human lot, a notion which, to this day, has largely gone unchallenged [11]. Undeniably, Australia is enjoying record levels in household income and historically low levels of unemployment, both

attributable to strong economic growth [12]. Unsurprisingly therefore, both Alcoa and the state government – each operating under the banner of a self-professed sustainability framework [13; 14] – emphasise the economic benefits of the refinery and its expansion. Within their respective frameworks, economic growth is largely seen uncritically as a catalyst for regional sustainability.

According to Alcoa's former CEO, Wayne Osborn, the 'Wagerup expansion would ... provide over A\$11 million a year in extra state government revenue' and result in an increase in community funding 'to support local infrastructure and projects in the Harvey and Waroona Shires.' In fact, Osborn says, 'Alcoa's A\$400,000 a year contribution would almost double under the expansion' [10]. Alcoa portrays itself as a company that is helping build a sustainable future [15]: 'Alcoa is committed to contributing to positive sustainable outcomes for the communities of the south west region. During the life of the Wagerup refinery, Alcoa has helped establish a long-term sustainable future for Waroona, Yarloop, Hamel, Harvey and the region through its contribution to:

- local infrastructure and services
- local community organisations
- · local and regional development
- regional and state infrastructure, and
- community based education and training' [16, p.13].

The state government supported the refinery's expansion with the aim of pursuing 'jobs and opportunities for Western Australians, but not at any cost.' The government claimed that 'the wellbeing of people in Yarloop and surrounds [had] been central to [their] thinking' [17]. Moreover, 'the assessment of the Wagerup proposal was [said to have been] the most complex undertaken by the [Environmental Protection] Authority (EPA),' because of 'the plant's history of health-related complaints.' The conditions placed on the

expansion were said to be the 'most stringent conditions the EPA has recommended for any industrial or mining project in Western Australia' [18].

In the shadow of promises of economic gain and environmental protection however are social and environmental indicators that highlight the side effects of uncontrolled development [19; 20]. Local communities, like canaries in the coal mines, are the first to detect perceptible risks to human wellbeing. In Yarloop, residents have detected some of the impacts of development in their community. Many recognise the economic benefits of industrialisation; they are not simply anti-development. Based on their experiences with the Wagerup refinery, however, they are concerned about development that brings regional and global benefits at local costs.

There are economic benefits to the whole state but I think the local people shouldn't bear the brunt of the progress. (Cookernup resident)

We're not here to shut Alcoa down. We're here to make them accountable. (Yarloop resident)

Some residents feel they would be paying for the company's proposed expansion, and the relationship between government and industry is questioned mistrustfully now by many. The photograph below depicts one resident's anger in the form of a protest he took to many high traffic spots during the peak of the controversy.

Not only is the refinery believed to be having an adverse impact on the community's health and wellbeing, other aspects of Alcoa's operations are also seen to be directly threatening the region's sustainability. By its own admission Alcoa is a major emitter of greenhouse gases in Australia [21] and one of the heaviest users of energy and fresh water in WA [2; 22; 23]. The sustainability of clearing native jarrah forest for the mining of bauxite, a



Silent protest (Photo by V. Webb)

non-renewable resource, is challenged by conservation groups who for many years have also criticised mining companies' land rehabilitation practices and warned of the spread of disease such as dieback (*Phytophthora*) through mining operations [24; 25].

Despite a growing awareness of the importance of local solutions to global sustainability [26; 27], residents' voices rarely register in debates about current issues and future sustainability. Publicly listed companies, often in partnership with government, tend to determine the eventual balance between economic, social and environmental concerns [28]. This government–industry relationship has been called into question by the Yarloop and Districts Concerned Residents Committee, which formed in 2001 in response to the impacts Alcoa's Wagerup refinery was seen to be having on the community.

#### Excerpt of submission against Alcoa's expansion

It has been our experience that despite what the Department of Environment (DoE) say to us and/or agree to, the DoE continually demonstrate a high level of bias towards Alcoa. There have been numerous examples of this behaviour, of which we

have evidence and we believe this department should be independently and publicly investigated. [29]

The people who claim to be affected by Alcoa are largely 'out of sight and out of mind' due to their rural location and the very small population of the towns. The plight of the rural population may not resonate with the population of the urban centres, which holds much of the political muscle. An even greater distance exists between local realities and the decision-making processes at the corporate boardroom level. Alcoa promotes itself as a company that cares to the extent that 'people in head office who have never even visited Yarloop' are very much affected by what has been happening and 'feel very much for the people of Yarloop and the impacts on them' [30]. Locally, however, there is a sense that 'they're tens of thousands of kilometres away, who cares what happens here? Any decisions made in America are not for our benefit' (Yarloop resident).

The media has assisted greatly in giving voice to people's concerns, helping to bring the Yarloop issue onto the political agenda. The following story appeared in the *Sunday Times* in 2006.

#### Alcoa expands despite toxins

Mr Royce, a local farmer, believes toxic emissions from the alumina refinery caused his wife, Jill, to develop cancer in 1996 – the same year the controversial liquor burner fired up. She died in 2002. But Mr Royce didn't join the campaign by locals opposing the plant's expansion because he thought it would be futile. 'You're never going to have a government worry about a small group of local people on one side and a billion-dollar industry on the other,' he said. 'Also, the people who live in Perth don't give a damn. The voting power of this state could not care less.' [31]

It is easy for political and commercial decision-makers to frame concerned residents as 'noisy' activists, stirring up anti-company sentiment. However, sidelining their concerns in this way means the underlying issues do not get treated seriously. It has taken a Parliamentary Inquiry to begin to redress this invisibility. Still, the capacity of local people to influence Alcoa's development decisions and to defend the viability of their town is severely limited by the lack of adequate participatory and consultative forums [32]. In its defence, Alcoa says:

Western Australia's most comprehensive community consultation process was developed and implemented early for this [Expansion] Project Proposal ... over 60 community working groups meetings, over approximately eight months were held totalling more than 200 cumulative hours of consultation. [16, p.11]

Impressive though this may sound in terms of hours, this consultation process appeared to be driven by Alcoa's expansionist agenda and the company continued to maintain that 'the threat of serious illness from the refinery is negligible ... with no long-term health risk' [33]. Key activist groups avoided the table because they saw the process as stacked against informed and critical perspectives. The company's repeated dismissal of community concerns served to harden their views, as shown in the submission from one group below.

#### Public submission against refinery expansion

There has been absolutely no recognition, discussions or proposed methods to mitigate, control or manage amenity issues caused by dust, noise or odour from the mine site, RDAs [Residue Drying Areas – the waste deposits of the red mud which is the by-product of alumina production, often referred to as mudlakes] or Refinery from the existing refinery operations at

Wagerup. Nor has there been any discussions or even consideration of amenity for the expansion.

We believe there is an ongoing failure of the 'system' that needs to be addressed prior to consideration of this expansion.

If these shortcomings are not identified and addressed, no amount of reports and studies, nor conditions and commitments will be of any benefit to those affected. The fact is that all of the above is of no use currently. [29]

#### TALKING AROUT SUSTAINARILITY

Only with a balance between profit, place and people can the goals of sustainability be reached. While all parties in the Yarloop conflict speak of sustainability, they employ different understandings of the concept. Throughout this book we explore some of these different understandings as we unearth ways in which the sustainability of a local community is affected by decisions about regional sustainability made by industry and government.

In broad terms, sustainability aims at the harmonisation of environmental, social and economic goals for the benefit of human and environmental health, economic wealth and equity [34; 35; 36; 37]. In corporate terms, sustainability translates into the economic balance between people, place and profits [38]. However it is defined, the environmental, social, political and economic dimensions of sustainability cannot be treated as separate from each other because they are interdependent and affected by the actions of people across these domains [39]. Neither the economy nor society operates in a vacuum.

Society as a whole can be assumed to share a common goal: the future sustainability of humanity and the planet. Regardless of the extent to which behaviour coincides with

these ideals, over the last decade, sustainability has been increasingly accepted as the guiding development goal [40]. Questions of 'how' and 'by whom' however remain contested. Today's sustainability debate is driven largely by governments and industry, and, at the level of theory, by university researchers such as ourselves. Political and economic forces tend to determine the eventual balance between economic, social and environmental concerns [41; 42; 43], and the search for the tools to shift societies onto more sustainable pathways is thus skewed towards those who are relatively privileged.

Decisions about sustainability not only tend to exclude the public, they also frequently silence [44] and suppress [45] any form of diversion from the dominant econopolitical understanding. This absence of public input into policy debates precludes open and transparent discussion of the trade-offs that are made between peoples' rights, the environment and corporate profits.

Thankfully, the dominance of politics and profit in debates about social and environmental goals has come under attack in recent years and the appropriateness of economically driven assumptions underlying public policy making and long-term sustainability of today's neoliberal growth agenda [46] is increasingly questioned. In particular, there have been renewed calls for active citizenship in processes of policy formulation [47; 48; 49; 50; 51].

This book is posited on the view that 'debates over sustainable development require equal and adequate representation of the communities affected' by development [52]. Juxtaposing the many different stories addressing questions of regional sustainability exposes the tensions between the various understandings of sustainability. We show in the end that the conflict described in this book is a struggle between competing and, to some extent, irreconcilable interests.

#### GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY

Sustainability relates to questions about the role of government in setting development goals and balancing those goals with social and environmental needs. It also relates to how industry engages with local communities and manages their role in regional development. These twin concepts of governance and corporate social responsibility (CSR) provide useful lenses through which to observe and analyse the complex interrelations between industries, governments and communities relating to the sustainability agenda [53]. They advocate the responsible and ethical conduct of political and corporate leaders for the protection of public, and increasingly environmental, interests.

In these terms, the benevolent and prudent use of political and corporate powers are assumed to safeguard people and the environment from the uncontrolled exercise of such powers. Social stability and institutional robustness are attributed to good governance [54; 55]. Sound CSR practices are believed to ensure environmental and social acceptability as well as corporate profitability. Dominant strands of theory on governance and CSR even suggest that public and corporate interests correlate and overlap [53; 56], leading to the conclusion that the goals of governance and business can be merged since the creation of an environment conducive to business is understood to be in the public's best interest [57].

The Yarloop conflict challenges all these assumptions.

When dissenting stories of local people are dismissed by corporate interests and government, the limitations of governance and CSR are revealed. Here, the sustainability agenda becomes mired in the dominance of profit maximisation and the political pursuit of economic growth. Ideals of corporate responsiveness to the community and governmental regulation of development in response to social and environmental policy needs are celebrated more in their breach than in action. Dissent is marginalised or ignored at best, attacked and discredited at worst. This refutation of society's expressed needs in turn contributes to social, economic and political imbalances that threaten the entire sustainability enterprise.

We use these concepts of sustainability, governance and CSR to guide our understanding of the conflict in Yarloop as we argue for a socially just and compassionate approach [58], beyond economics and profits. To this end we foreground and re-legitimise the marginalised local voices within a much-needed broader and deeper sustainability debate.