

## THE LEGITIMACY TRILEMMA: STRATEGIC COMMUNICATION, CRISIS OF TRUST, AND THE MAINTENANCE OF THE SOCIAL LICENSE TO OPERATE IN LARGE-SCALE MINING IN LATIN AMERICA

*O TRILEMA DA LEGITIMIDADE: COMUNICAÇÃO ESTRATÉGICA, CRISE DE CONFIANÇA E A MANUTENÇÃO DA LICENÇA SOCIAL PARA OPERAR EM MINERAÇÃO DE GRANDE ESCALA NA AMÉRICA LATINA*

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### Abstract

This study addresses the crucial role of strategic institutional communication in obtaining and, fundamentally, in the long-term maintenance of the Social License to Operate (SLO) within the large-scale mining industry in Latin America. The SLO, defined as the continuous and evolving consent of stakeholders, is an imperative that transcends regulatory compliance. The study employs a qualitative, comparative multiple-case study design, analyzing the communication strategy of a project in the initial phase of trust building (Los Azules, Argentina) and contrasting it with the collapse of legitimacy in a mature operation that culminated in a social and legal crisis (Cobre Panamá, Panamá). The evidence is complemented by benchmarking of practices from sector leaders (BHP, Rio Tinto). The results demonstrate that, while proactive transparency generates initial trust capital, this capital is volatile. SLO maintenance is lost due to a Rhetoric-Reality Gap, where the communication of positive Environmental, Social, and Governance (ESG) indicators is misaligned with the local perception of real impact, transforming the discourse into a monological strategy perceived as insincere. The concept of the Legitimacy Trilemma is introduced to frame the tension between legal, economic, and

### Resumo

*Este estudo aborda o papel crucial da comunicação institucional estratégica na obtenção e, fundamentalmente, na manutenção a longo prazo da Licença Social para Operar (SLO) na indústria de mineração em grande escala na América Latina.*

*A SLO, definida como o consentimento contínuo e evolutivo das partes interessadas, é um imperativo que transcende a conformidade regulatória. O estudo emprega um desenho qualitativo e comparativo de múltiplos casos, analisando a estratégia de comunicação de um projeto na fase inicial de construção de confiança (Los Azules, Argentina) e contrastando-a com o colapso da legitimidade em uma operação madura que culminou em uma crise social e jurídica (Cobre Panamá, Panamá). As evidências são complementadas pela comparação de práticas de líderes do setor (BHP, Rio Tinto). Os resultados demonstram que, embora a transparência proativa gere capital de confiança inicial, esse capital é volátil. A manutenção da SLO é perdida devido a uma lacuna entre retórica e realidade, em que a comunicação de indicadores ambientais, sociais e de governança (ESG) positivos está desalinhada com a percepção local do impacto real, transformando o discurso em uma*



sociopolitical legitimacies. The study concludes that communication must migrate from intent to verifiable outcome to ensure sustainable legitimacy, providing theoretical implications for Stakeholder Theory and practical implications for risk management in volatile Latin American contexts.

**Keywords:** Social License to Operate. Strategic Communication. Large-Scale Mining. Crisis of Legitimacy. Community Trust. ESG. Stakeholder Theory.

*estratégia monológica percebida como insincera. O conceito do Trilema da Legitimidade é introduzido para enquadrar a tensão entre as legitimidades jurídica, econômica e sociopolítica. O estudo conclui que a comunicação deve migrar da intenção para o resultado verificável para garantir a legitimidade sustentável, fornecendo implicações teóricas para a Teoria das Partes Interessadas e implicações práticas para a gestão de riscos em contextos voláteis da América Latina.*

**Palavras-chave:** Licença Social para Operar. Comunicação Estratégica. Mineração em Grande Escala. Crise de Legitimidade. Confiança da Comunidade. ESG. Teoria das Partes Interessadas.

## 1 INTRODUCTION

The large-scale mining industry operates at a critical juncture between the global need for metals essential for the energy transition and the increasingly organized local resistance from communities and civil society. While the sector has historically relied on the Legal License (state permits and regulations) to guarantee its operation, the rising wave of socio-environmental conflicts has demonstrated the insufficiency of this approach. In this context, the concept of the Social License to Operate (SLO) has emerged as the determining factor for the long-term viability of projects. The SLO is defined as a dynamic and non-governmental social consent that is obtained and maintained when a company is perceived as legitimate and trustworthy by its stakeholders.

In Latin America, this dynamic takes on a particular urgency. The region, rich in mineral resources, is simultaneously characterized by deep social inequalities, institutional fragility, and a history of conflicts derived from extractive activity. Here, the SLO is not merely a risk mitigation strategy, but an imperative for strategic survival, as its loss has been shown to lead to the halting of investments, costly litigation, and, in extreme cases, the revocation of contracts. This scenario of high political and social volatility underscores the importance of strategic institutional communication as the main mechanism for building and sustaining social legitimacy.

Despite the abundant literature on obtaining the SLO and building initial trust—strategies that are crucial during the exploration and development phases—research

presents a critical gap in understanding the communication strategies required to sustain long-term legitimacy, especially as mining projects transition from promise to operational impact. The literature lacks a robust conceptual model that comparatively analyzes communication strategies in projects in the phase of "high trust" versus those in "legitimacy collapse" within the volatile Latin American context. The justification for this study, therefore, lies in the need to provide an empirical framework that distinguishes between Intentional Trust (based on dialogue) and Outcome Legitimacy (based on verified performance), and that adopts a long-term perspective on the coherence between ESG discourse and action.

The main contribution of this article lies in the introduction of the Legitimacy Trilemma, a new framework that conceptualizes the dynamic tension among legal, economic, and sociopolitical legitimacies, and its direct impact on SLO sustainability. Based on a comparative multiple-case study of two emblematic projects in the region (Los Azules, Argentina, and Cobre Panamá, Panamá), this study seeks to answer the Central Research Question: In what way must institutional communication strategy adapt in the phases of initial trust and legitimacy crisis to guarantee the continuous maintenance of the Social License to Operate in large-scale mining projects in Latin America?

The structure of the article is organized as follows: Section 2 details the Literature Review, Section 3 presents the Multiple-Case Study Methodology, Section 4 discusses the empirical results, and Section 5 discusses the Legitimacy Trilemma model and its theoretical and practical implications.

## **2 LITERATURE REVIEW**

### **2.1 Foundations of the SLO**

The concept of the SLO emerged in the early 2000s as a response to the legitimacy crisis in the extractive industry, particularly in Canada and Australia (Boutilier & Thomson, 2023; Parsons et al., 2014). The SLO extends beyond philanthropy and legal compliance, representing a consent that the company must continually earn and revalidate (Bice, 2014; Murphy & Bertignoll, 2025). This consent is articulated across various levels of social acceptance, ranging from passive acceptance to active participation and co-sponsorship of the company by key stakeholders (Abuya, 2023; Thomson & Boutilier,

2011). However, critics such as Gunningham and Sinclair (2019) have pointed out that the SLO is inherently fragile and must be viewed as a temporary license that is lost when a misalignment exists between social expectations and the company's actual performance.

## **2.2. Stakeholder theory and the construction of the SLO**

The foundational framework for understanding the SLO is Stakeholder Theory (Freeman, 1984; Porter & Kramer, 2011). This theory establishes that long-term business success depends not only on shareholder satisfaction but also on the effective management of relationships with all groups that have a legitimate interest in the organization (Chen et al., 2024; Donaldson & Preston, 1995). In the mining context, primary stakeholders are local communities, governments, and the environment, and communication becomes the vehicle for managing their demands and concerns (Ofosu & Arthur-Holmes, 2025; Rodrigues et al., 2022). The SLO is achieved when the company succeeds in meeting the expectations of its critical stakeholders in a manner perceived as fair and ethical, integrating their demands into the core operation (Esteves, 2008; Moeremans & Dooms, 2025).

## **2.3 Institutional communication as the core of trust**

Trust is the fundamental basis upon which the SLO is built, and communication is the main driver of its generation (Aaronson, 2011; Abidin et al., 2025). Public relations literature emphasizes that monological strategies (one-way and persuasive communication) are insufficient and often counterproductive, especially in highly sensitive contexts such as mining (Berberoglu et al., 2024; Zambrano-Monserrate, 2025). The Dialogic Communication Model (Kent & Taylor, 2002) proposes a two-way model where mutuality, commitment, respect, and shared understanding are essential. Dialogic communication in mining must focus on:

1. Proactive Transparency: Sharing critical information (environmental plans, water use, social impacts) before it is requested (Bansah et al., 2024; Saenz, 2024).
2. Accountability: Explaining decisions, even unpopular ones, and admitting mistakes (Ivic et al., 2021; Northey et al., 2013).

3. **Genuine Commitment:** Creating spaces for participation where community input genuinely influences project decisions (Saenz, 2023; Wu & Zhi, 2016).

Failure in dialogic communication not only deteriorates trust but also amplifies the perception of risk, contributing directly to the loss of the SLO (Ocampo, 2025; Saenz, 2021).

## **2.4 The rhetoric-reality gap and the loss of SLO**

The main threat to the maintenance of the SLO is the Rhetoric-Reality Gap. This concept describes the disparity between what the organization says about its ethical and social commitment (corporate rhetoric, often embodied in ESG reports and press releases) and how its real conduct is perceived by affected stakeholders.

When sustainability reports paint a positive picture of social responsibility, but communities experience negative environmental impacts or perceive imbalanced treatment in negotiations, the communication is immediately categorized as a simulacrum of legitimacy or greenwashing (Jovanović et al., 2023; Vanclay, 2017). In this scenario, corporate discourse transforms from a trust-building tool into a risk factor. Evidence suggests that inconsistency not only nullifies the company's credibility but also energizes and legitimizes social opposition, providing activists and the media with a potent argument: corporate hypocrisy (Gunningham & Sinclair, 2019).

## **2.5 The context of the extractive model and the SLO in Latin America**

Large-scale mining in Latin America unfolds within a context of deep extractive paradox: while it is a key driver for national economic development and a vital source of foreign exchange, it is also an epicenter of persistent sociopolitical conflict (M.-B. Arias-Valle & Coria Augusto, 2024; Zambrano-Monserrate, 2025). Regional observatories document a high number of mining projects entangled in socio-environmental conflicts, reflecting a profound crisis of trust and governance on the continent (Alves et al., 2021; Amos et al., 2024). This conflict arises from structural failures of the neo-extractivist model, often perceived as generating "boom and bust" cycles and tending to externalize environmental and social costs at the local level (Bansah et al., 2024; Gairola et al., 2025). Therefore, the struggle for the SLO in the region is fought in the field of transparent

governance and risk management derived from the Rhetoric-Reality Gap (Gunningham & Sincalir, 2019), where promises of sustainability are contrasted with operational performance.

Within this framework, the province of San Juan, Argentina, emerges as a crucial case study (Arias-Valle et al., 2022; Coria Augusto et al., 2025). The region has managed to position itself as a favorable mining destination for investment on the continent, thanks to a sustained state policy that has integrated mining activity up to 9.4% of its Gross Geographic Product (GGP). This relative acceptance is sustained by positive economic impacts, such as the generation of quality employment (Olivares Chicahuala & Arias-Valle, 2024). Nevertheless, the sustainability of this consensus depends critically on the State's capacity to exercise effective environmental and social control, and to guarantee access to public information and citizen participation (Gunningham & Sincalir, 2019). The Los Azules project is inscribed in this delicate balance, where the proactive construction of trust is vital to legitimize the vast required investment in a regional environment still marked by structural distrust toward the extractive sector.

### **3 METHODOLOGY**

#### **3.1. Research design**

A qualitative approach based on a comparative multiple-case study design was adopted (Yin, 2013). This design allows for the in-depth exploration of contextual phenomena (sociopolitical dynamics and communication strategies) and facilitates the cross-case comparison of patterns and differences, which is essential for generating robust theoretical frameworks applicable to the regional context.

#### **3.2 Case selection and description**

Two central cases in Latin America were strategically selected, representing opposite extremes in the SLO trajectory, along with complementary cases to provide sectoral benchmarking:

### 3.2.1. Case 1: Los Azules (McEwen Copper, Argentina) – Initial Trust

1. Phase: Copper project in the advanced exploration and development phase.
2. Methodological Relevance: It represents the proactive phase of the SLO, where communication focuses on relationship building and the management of community expectations with promises of future value (job creation, infrastructure development).
3. Focus of Analysis: The company's communication discourse regarding transparency, economic benefits, and environmental management in a mining region of Argentina (San Juan).

### 3.2.2. Case 2: Cobre Panamá (First Quantum Minerals, Panamá) – Collapse of Legitimacy

- Phase: Large-scale copper operation in mature production.
- Methodological Relevance: This case is emblematic of the loss of SLO, culminating in a massive social crisis, national protests, and a Supreme Court ruling that declared the concession contract unconstitutional in 2023.
- Focus of Analysis: The company's communication strategy before and during the crisis, the content of its ESG reports, and its response to public opposition and the legal debate.

### 3.2.3 Complementary cases (global benchmarking)

The corporate communication and sustainability reports of sector leaders such as BHP, Rio Tinto, Fortescue, and Vale were secondarily analyzed. The objective was to identify communication practices that have proven effective for SLO maintenance globally, and to contrast them with the failures observed in Case 2.

## 3.3 Data collection

Data collection was based exclusively on a systematic and critical documentary review of public sources available between 2018 and 2024. The diversity of sources

sought to triangulate the corporate perspective, the media narrative, and the legal/social reality:

- Corporate Documents: Sustainability/ESG Reports, Press Releases, Investor Presentations, Public Statements by executives.
- Legal and Official Documents: Panama Supreme Court rulings, government audit reports, environmental licenses.
- Journalistic Sources: Articles from high-prestige media outlets (Reuters, Bloomberg, national media in Argentine and Panama) and NGO reports.

For the documentary analysis, a 3-point Evidence Quality Assessment Scale adapted from Vanclay (2003) was implemented to prioritize the most reliable sources in the conclusions:

**Table 1**

*Most reliable sources*

| Level        | Description  | Prioritized Examples  |
|--------------|--|---|
| 3 (High)     | Peer-reviewed articles, official reports, legal documents.                         | <i>Journal of Cleaner Production</i> , Supreme Court rulings, World Bank reports. |
| 2 (Moderate) | Reliable journalistic sources, industry white papers, direct company publications. | Detailed sustainability reports, Reuters or Bloomberg reports.                    |
| 1 (Low)      | Opinion articles, unverified social media, blogs.                                  | Used only to identify social critique patterns or as leads for corroboration.     |

### 3.4 Data analysis techniques

Data were analyzed through the combination of two qualitative techniques:

- Thematic Analysis (Braun & Clarke, 2006): Used to identify, analyze, and report patterns (themes) within the data. Documents were coded by searching for central themes in communication strategies (e.g., emphasis on economic benefit, environmental response, use of legal vs. social language).
- Critical Content Analysis: Applied to unravel the underlying narratives and intentions behind the corporate discourse. The focus was on identifying the coherence or misalignment between the sustainability rhetoric (what is

communicated) and the reported operational actions (what is done), seeking the existence of the Rhetoric-Reality Gap.

The triangulation of the results from both analyses and the cross-case comparison between Case 1 (construction) and Case 2 (collapse) allowed for the generation of a proprietary conceptual framework for the maintenance of the SLO.

## 4 RESULTS

### 4.1 Case 1: Los Azules – communication for intentional trust

The analysis of the Los Azules project (Argentina) revealed a highly proactive institutional communication strategy, focused on creating an initial trust capital anchored in the promise of future value and transparency during the exploration phase.

#### 4.1.1 Core discourse axes

The discourse was primarily articulated around three fundamental axes. The first was Visible Leadership and Proximity, where the CEO of McEwen Copper played a central role in communication, creating a narrative of personal commitment to the province of San Juan, which facilitated the humanization of the company and emotional connection (Thomson & Boutilier, 2011). The second axis focused on Quantifiable Regional Economic Promise, centering communication on the creation of a local productive matrix, the priority of regional employment, and infrastructure development. This promise of economic impact is the main vector for generating support from local governments and business chambers. Finally, the third axis was Environmental Innovation as a Differentiator, emphasizing technology as a tool for risk mitigation (e.g., water and energy systems) and seeking to differentiate the project from historical mining controversies in the region.

#### 4.1.2 The nature of initial trust

It was found that Los Azules' proactive communication generated a high level of Intentional Trust. This trust is a valuable asset but is inherently fragile, as it is based on

expectations of what the company will do in the future, and not on evidence of already executed operational impact. The main risk identified is the inevitable volatility of the SLO when the project moves into the construction and operation phases, at which point the intention must transition into outcome.

#### **4.2. Case 2: Cobre Panamá – failed communication for sustained legitimacy**

The study of Cobre Panamá (Panamá) provides a crucial methodological contrast, illustrating how a mature operation can lose its SLO, despite its positive ESG compliance reports and high operational standards, leading to a sociopolitical collapse with unprecedented legal implications.

##### *4.2.1 Corporate discourse vs. social perception*

The analysis of First Quantum Minerals' Sustainability Reports in the years preceding the crisis (2021-2023) revealed communication of strong Economic and Legal Legitimacy, focused on macroeconomic contribution (figures on Gross Domestic Product and fiscal revenue generation), regulatory compliance (emphasis on permits and adherence to international standards), and social investment (quantifiable data on spending on community and education programs). However, the analysis of media narratives and statements from Panamanian civic platforms in 2023 evidenced a profound social disconnection. FQM's discourse was perceived as monological and reactive, limited to the legalistic defense of the contract and the refutation of environmental arguments, which the public perceived as arrogant. Furthermore, a palpable Rhetoric-Reality Gap was identified, given that the ESG reports failed to counteract the dominant narrative regarding perceived environmental impact and, crucially, the legal controversy over the opacity of the contract. The communication of the company's financial results contrasted negatively with the perception of the net social benefit for Panamá, eroding Sociopolitical Legitimacy.

#### 4.2.2 *The escalation of the crisis and the Withdrawal of the SLO*

The Cobre Panamá crisis demonstrated that the SLO is not protection against legal risk, but a condition for legal stability. The failed communication in managing social expectations and the ineffective defense of the contract in the public sphere facilitated massive social mobilization. The Supreme Court ruling, which declared the contract unconstitutional, was seen not only as a legal act but as the institutional ratification of the loss of the Social License. This establishes a critical precedent in the region: sociopolitical legitimacy is a prerequisite for legal stability.

#### **4.3 Benchmarking: the role of ESG Coherence**

The analysis of global leaders such as BHP and Rio Tinto suggests that communication for SLO maintenance is based on Verifiable ESG Coherence. Their strategies emphasize three key pillars: first, the communication of Measurable Decarbonization Commitments, where long-term plans are outlined with auditable performance metrics and public accountability; second, Transparency in Critical Incidents, ensuring that communication is rapid, admits responsibility, and details corrective actions, which is vital for rebuilding trust (e.g., post-BHP's 2020 dam incident); and third, the implementation of Shared Local Governance through community participation structures that act as mechanisms for non-verbal communication and facilitate continuous Sociopolitical Legitimacy.

### **5 DISCUSSION**

The results from the Los Azules and Cobre Panamá cases allow us to conceptualize the Mining Legitimacy Trilemma, which is the inherent difficulty of balancing, in the long term, three types of legitimacy that are interdependent but often in tension (Boutilier & Thomson, 2023; Moffat et al., 2016). Successful SLO management requires balancing Legal Legitimacy, which involves rigorous compliance with laws, permits, and contracts; Economic Legitimacy, which focuses on maximizing profitability and meeting investor expectations; and Sociopolitical Legitimacy, defined as the active, continuous, and emotional consent of communities and civil society (Bice, 2014;

Thomson & Boutilier, 2011). The Los Azules case demonstrates initial success in Sociopolitical Legitimacy, but this success faces the future challenges of Economic and Legal Legitimacy in the operational phase (Amos et al., 2024; Bice & Moffat, 2014). The Cobre Panamá Case illustrates failure: a primacy of Legal and Economic Legitimacy, communicated insufficiently or perceived as opaque, led to the total collapse of Sociopolitical Legitimacy, which in turn annulled the other two legitimacies through legal action.

The Legitimacy Trilemma concept is established as the main conceptual contribution of this study, offering a robust framework that extends Stakeholder Theory (Freeman, 1984; Porter & Kramer, 2011) in volatile extractive contexts. This framework conceptualizes SLO management as a constant effort to balance three interdependent and often conflicting forces: Legal Legitimacy, Economic Legitimacy, and Sociopolitical Legitimacy (Matikainen, 2022; Moeremans & Dooms, 2025). This tension is not a static equilibrium but an intrinsic dynamism that compels the company to avoid unilateral prioritization. The Cobre Panamá Case critically illustrates the annulment effect (Ocampo, 2024; Rathobei et al., 2024): the chronic failure to maintain Sociopolitical Legitimacy—the most volatile and perception-dependent pillar—culminated in the withdrawal of consent, which, in turn, invalidated the Legal basis of the contract and destroyed Economic viability. Thus, the Trilemma formalizes that Sociopolitical Legitimacy is not merely a layer of Corporate Social Responsibility, but the non-negotiable prerequisite that acts as the gatekeeper for SLO maintenance (Abuya, 2023; Ackers & Grobbelaar, 2022). This mechanism underscores the warning that the SLO is inherently fragile and is lost when a misalignment exists between social expectations and the company's real performance (Bansah et al., 2024; Gunningham & Sincalir, 2019). This loss is due to the Rhetoric-Reality Gap, where the communication of ESG indicators is misaligned with the perceived impact, transforming the discourse into a simulacrum of legitimacy or greenwashing (Ruiz-Blanco et al., 2022; Vanclay, 2017). Therefore, the SLO must be re-conceptualized, from a continuous and evolutionary consent (Parsons et al., 2014; Vošnjak et al., 2024), to a dynamic organizational capacity for communication adjustment (Amoah & Eweje, 2024; Areta Hiziroglu & Dogan, 2025) that demands the migration from Intentional Trust to Outcome Legitimacy, communicating outcome and not input to guarantee sustainable legitimacy (Bansah et al., 2024; Moeremans & Dooms, 2025). This triadic model provides the necessary roadmap for future research seeking to

model the dynamic tension in volatile contexts (Areta Hiziroglu & Dogan, 2025; Bamber et al., 2024).

The principal conclusion of this study is that the loss of the SLO in mature mining operations is directly linked to a Rhetoric-Reality Gap in institutional communication (Lèbre et al., 2020; Ocampo, 2024). The findings confirm the warning from Gunningham and Sinclair (2019): the SLO is lost not for lacking a CSR plan, but for the perceived inconsistency between the plan and the behavior (Dmuchowski et al., 2023; Fikru et al., 2024).

FQM's sustainability discourse was unable to mitigate social risk because it was based on input communication (what was invested) and not outcome (the perceived net positive impact by the community). When the company prioritized legal discourse over social dialogue, the perception of inconsistency soared, facilitating the critical opposition narrative to become dominant in the public sphere (Vanclay, 2017).

This work contributes to Stakeholder Theory by proposing an explicit differentiation of the SLO according to the project phase (Porter & Kramer, 2011; Rathobei et al., 2024). Communication in the Development Phase must focus on generating Intentional Trust (proactive transparency and dialogue), whereas in the Operational Phase, communication must focus on maintaining Outcome Legitimacy (verifiable evidence of ESG performance and agile response to criticism) (Ocampo, 2024). The SLO must be conceptualized as a dynamic organizational capacity for communication adjustment to the social perception of performance, rather than a static state or a public relations achievement (Gunningham & Sincalir, 2019).

For companies operating or planning to operate in Latin America, the practical recommendations are clear: they must adopt Outcome Communication, moving away from communicating CSR expenditure (Input) to start communicating the net social impact and the mitigation of environmental risks in a quantifiable manner (Arias-Valle et al., 2022; Coria Augusto et al., 2025). This requires ESG-SLO Integration, where the SLO manager is intrinsically linked to the manager of the ESG strategy to ensure coherence (Dmuchowski et al., 2023; Fikru et al., 2024). Finally, Trilemma Preparedness is essential: risk plans must include scenarios where Legal Legitimacy is challenged by the failure of Sociopolitical Legitimacy, preparing a communication strategy that transcends legal defense.

The long-term sustainability of the SLO in volatile mining regions like Latin America, exemplified by the Los Azules Case in San Juan (Argentina), demands a commitment that transcends corporate communication and is anchored in local institutional and social capacity (Olivares Chichahuala & Arias-Valle, 2024). It is imperative to elevate this need to the higher education institutions (HEIs) of the region (Arias-Valle & Marimon, 2025a, 2024, 2025b). Universities have the duty to foster research and extension that allow for the transition from Intentional Trust to Outcome Legitimacy (Arias-Valle & Marimon, 2025; 2024). This implies the creation of intersectoral programs that train communities, professionals, and local governments in the social and technical auditing of ESG indicators, enabling an informed and independent evaluation of mining performance (Gamez et al., 2025). Only through applied research can validated outcome metrics be generated to close the Rhetoric-Reality Gap, and only through university extension can the power of decision be transferred to local stakeholders, making the SLO an intrinsic process of regional management and not an auxiliary public relations function (Adnan et al., 2024).

The present study, being qualitative in nature and based on the documentary analysis of selected cases, presents certain limitations. Specifically, the analysis focuses on the communication issued by the companies and the resulting public narrative, which does not allow for a direct and real-time evaluation of intimate community perception nor the internal strategic intentionality of the leadership teams. The reliance on public sources and the sensitive nature of operational information in mining projects restricts the ability to quantify the direct causal relationship between a specific communication strategy and changes in the SLO level. Therefore, future research should employ a mixed methodology, incorporating longitudinal surveys of affected communities to measure sentiment and trust (Intentional Trust vs. Outcome Legitimacy) throughout the lifecycle of a mining project. Furthermore, it is suggested to expand the Legitimacy Trilemma framework to large-scale quantitative studies that allow modeling the dynamic tension among legal, economic, and sociopolitical legitimacies in a broader sample of Latin American countries, including variables such as political stability and the perceived level of corruption as moderating factors.

## 6 CONCLUSIONS

The findings of this research confirm that the maintenance of the Social License to Operate is a continuous exercise in coherence management rather than communication management. Strategic communication is only effective when it is a transparent and consistent reflection of operational and environmental performance.

The Cobre Panamá Case is an emblematic study of how reliance on legal legitimacy and the failure to manage the Rhetoric-Reality Gap can lead a multi-billion-dollar operation to an abrupt closure. The scientific relevance of this study resides in its comparative approach and the introduction of the Legitimacy Trilemma, providing a roadmap for future research on sociopolitical risk in the extractive sector.

The imperative for SLO maintenance lies in the need to close the Rhetoric-Reality Gap through the adoption of Outcome Communication. This approach requires the mining industry to migrate from reporting Input (e.g., "\$1 million USD investment in education programs") to demonstrating Outcome (e.g., "Verifiable reduction in the school dropout rate in the direct area of influence"). As observed in the benchmarking of global leaders, ESG performance coherence must be proven, not just promised. For this Outcome to be perceived as legitimate and not as a simulacrum, it is fundamental that the universities of the region assume a central role as independent social verification mechanisms. Through applied research, universities can generate validated metrics that close this gap, transferring the power of auditing to local stakeholders and elevating the SLO from an auxiliary function to a process of intrinsic management of sustainable legitimacy.

The industry must prioritize investment in independent social verification mechanisms and adopt governance structures that transfer decision-making power to local stakeholders, making the SLO an intrinsic process of corporate management and not an auxiliary public relations function.

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**Authors' Contribution**

All authors contributed equally to the development of this article.

**Data availability**

All datasets relevant to this study's findings are fully available within the article.

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