

## **Abstract**

The gold mining sub-sector is an important segment of the Ghanaian economy and continues to play a significant role in the country's socio-economic development (Akaabza, 2008:1). At the moment, Ghana is Africa's second leading producer of gold, and 10th in the whole world. The sub-sector is the country's leading foreign exchange earner, contributing close to 40% of its total exports, while making substantial contribution towards its GDP. While the government and other international financial institutions perceive the mining sector as a viable vehicle for fostering economic growth in Ghana, concerns are raised about its negative environmental impacts on the ecologically fragile ecosystems in mining areas (Dummet, 1989). In addition, the hyped benefits and opportunities associated with mining largely remain to the majority of local communities, who continue to languish in poverty as they pay the heavy price caused by the environmental degradation and other social costs (see Akabzaa and Darimani, 2001; Asklund and Eldvall, 2005; Ballard and Glenn, 2003; Gadzekpo and Waldman, 2005). These development problems in mining areas of Ghana, like in my other African countries have drawn the attention of researchers, policy makers and practitioners as they seek to understand the problem better and provide possible strategies for correcting the situation.

In the literature as well as in practice, governments and international finance institutions like IMF and World Bank have addressed or perceived the problems of mining from a governance perspective and most importantly engaged in legal reform as a solution to the problem. In Ghana, the most recent were the World Bank and IMF's part of the structural adjustment package adopted from the mid 80's through to the early 90's (Akabzaa, 2007). Under this thinking, reforms were instigated to provide an environment, where the extraction of mineral resources could translate into national wealth for economic recovery and development, through sustainable mining methods (World Bank, 2002; 22). In addition, the reforms would establish mechanisms to foster equitable distribution of benefits in mining areas through pro-active participation of local communities in the mining economy (IFC, 2002; Songsore, 1994).

This thesis however tells a different story. The measures under the reforms largely sought to contribute towards increased gold production to meet the growing global demand for gold in Europe and India. These demand created spaces for an influx of multinational mining companies, whose vast technologies, robust resources were seen as a vehicle for satisfying the ever-increasing demand for gold and gold related products on the world market. By the late 90s for example, all Ghanaian gold mines were foreign owned. The reforms contradictorily contributed to an increase in environmental degradation in mining areas, and created spaces for unequal distribution of benefits, with local mining communities reeling under the pressure of increased environmental degradation and poverty (Akabzaa and Darimani, 2001; Coakley, 1999). As local communities are further isolated, marginalized and excluded from active participation in mining economies, mining areas continue to become contested spaces where a minority powerful groups mobilize and wield power to meet their desired goals or desires. In this thesis, I do argue that unequal distribution of benefits in mining areas is an outcome of unequal power relations between societal actors seeking to protect their interests and not really a governance problem as largely perceived. I demonstrate that additional resources injected in mining areas either through community development funds, compensation and corporate social responsibility programs tend to serve the interests of a minority group who act with an aim of controlling and gaining access of these resources at the expense of local communities. Secondly, the frameworks

established to ensure equitable distribution of benefits for example private-public partnerships, self or coregulation programs only serve the needs and goals of these minority groups, while failing to effectively address the power dimensions in mining areas. This thesis is therefore grounded in a specific cultural context where extended case studies are developed from Tarkwa's gold mining area in Ghana to demonstrate and illustrate the complex social interactions that leads to unequal distribution of benefits in Ghana's mining area.