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Is gold mining a bane or a blessing in Sub-Saharan Africa: The case of Ghana

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Abstract

Mining is one of the controversial industries, all over the world, particularly in sub-Saharan African countries. This is because the industry is fraught with lots of institutional and socio-economic contradictions, which is characterized by large multi-national companies. Mining in Ghana's western region, where gold is mainly exploited, presents different situations with greater expectations for community development. In all, a total of 102 household questionnaires and key informant interviews were administered and conducted in the three selected communities respectively. In Ghana, host communities to multinational companies have lived on their edges, typified by abject poverty, state of despondency and sometimes, productive resources dispossession. These, the study found out to be contrary to what should be expected from the assertion of gold mining; which connotes wealth creation and development. Using a qualitative and quantitative research design in three selected communities: Tarkwa, Damang and Prestea in the Western region of Ghana, we examine these paradoxes in the context of the relationships between mining companies and the socio-economic implications of livelihoods and survival of these communities.

Keywords: Mining, Community development, Livelihood, Tarkwa, Ghana

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1. Introduction

According to Ayensu (1997) and Aryee (2001) Ghana earns substantial proportion of its foreign exchange from gold exports and contributes greatly to the gross domestic product (GDP). Foreign direct investment into the mining sector in Ghana reached an appreciably high of over US\$3 billion by the close of the late 1990s. Consequently, the sector accounted for more a third of (30%) of gross foreign exchange earnings. In 1997, for instance, officially reported output of newly mined gold according to Akabzaa and Darimani (2001), was approximately 54 metric tons with a market value of about US\$545 million.

The United Nations Conference on Trade and Development (UNCTAD, 2005) reports that foreign direct investment (FDI) as a share of gross capital formation has actually been rising in Africa, particularly starting in the mid-1990s. Evidence of this is expressed in the number of mining companies that 'trooped' into Ghana since the 1990s. There are sixteen major and minor gold mining companies in Ghana with majority of these companies located in the Wassa West District. Some of these companies include, Goldfields Ghana Limited, Prestea Sankofa Gold Limited, Bogoso Gold Limited, Abosso Goldfields Limited, AngloGold Ashanti (Iduapriem), and New Century Mines. Currently, all these companies employ the surface mining technique in their operations (Akabzaa and Darimani, 2001).

Gold mining activities abound across the length and breadth of Ghana. Of particular concentration is the Western Region of the country of which the Wassa West District (now divided into Tarkwa Nsuaem Municipal and Prestea-Huni Valley District as shown in (Figure 1), forms a part. . In view of the richness of the western mining enclave in terms of its gold deposits, a lot of Gold Mining Companies have been attracted to such towns as Tarkwa, Prestea, Damang, Bogoso and other surrounding towns and villages with the main aim of undertaking mining activities.

Paradoxically, the Wassa West District in the western region of Ghana is the most extensively mined district in Ghana (Agbesinyale, 2007); yet it is not a good specimen of such associated expectations of community development. These expectations include improvement in the provision of employment opportunities, development of roads, and establishment of railway lines, hospitals, schools and community centres and other livelihood opportunities. Communities in the district are among some of the poorest towns in the region, with illusions of expected benefits from gold mining. Indeed, the District has become popular due to the mere existence of both large and small scale gold mining companies and the untold hardship which their activities have caused the communities.

Generally, the mining sector has been a major source of employment especially in areas where it is undertaken. It serves as a substantial additional employment opportunity and offers high income to the people (Sraku-Lartey, 2000). In addition to this, it has facilitated the establishment of allied enterprises and industries, such as security and catering agencies, laboratories as well as equipment leasing and sales agencies. In Ghana, the sector accounted for about 20% of the formal sector employment in 1995. Out of this number, large scale mining companies employs only 20,000 people while the small scale sector, including illegal mining employed more than 200,000 people (Hilson et al., 2007; Awudi, 2002; Antwi-Boasiako, 2003).

The story has changed now with dimming prospects for community development in the mining areas. Major social and environmental problems have arisen in the mining communities brought about by the mining boom, resulting from massive vegetation clearance and land degradation. Improper waste disposal, mineral processing and misuse of mining chemicals leading to decline in safe drinking water for humans, decline in air quality, loss of ecological biodiversity, decreasing forest cover as well as loss of livelihoods (Awudi, 2002). In support of this, Anane (2008) opines that the extraction of these resources has not been without problems as care was not taken to guard against other resources depletion.

It is however surprising to note that in spite of the enormous wealth generated from mining activities, host communities still persist in lifestyles of abject poverty seen in deteriorated livelihoods and inadequate housing and road infrastructure. This alludes to the fact that the expectations of most communities in this district have not been fully met. The host communities expect to see total socio-economic improvement with regard to provision of more social infrastructure and livelihoods in their communities, but this is not the case. In view of this they see gold mining activities as a “bane” rather than the “blessing” it should connote. Gold mining is increasingly being considered as a threat to livelihood and ultimately the very human existence, as far as these local communities are concerned.

Recent comments on gold mining and its consequences are shifting from the recount of its many advantages to an emphasis on the environmental and socially adverse effects it brings (Darimani, 2008). It is therefore not surprising that a lot of organizations with human rights perspectives, both national and international alike have commented in protest to unsustainable mining and its impacts on host communities. These organizations are virtually playing watch-dog roles in monitoring gold mining activities in order to minimize its negative externalities on host communities.

1.1. Literature review and contextual arguments on mining and development

The conceptual context of the study is supported by the Capability Approach developed by Amartya Sen (1980) and Nussbaum (1988) cited in (Clark, 2005) which mainly assesses human well-being. Basically, the model is about the ability of people to have freedom to do the things that bring happiness and satisfaction to their lives. The core concept of this approach are achievement, which relates to living conditions and capability which also relates to freedom in the positive sense (Robeyns, 2003). With reference to the Capability Approach, this study is based on the notion that gold mining can enhance or retard community development in Ghana, given the capabilities or otherwise of the inhabitants of the mining areas.

A well developed and improved gold mining sector has the potential of becoming a major growth centre with its attendant benefits for Ghana. This will lead to development of the country in general and the mining communities in particular in a trickling-down effect fashion. But the question is what has been the effects of gold mining on the livelihood of residents within the mining communities in the country in general and the Huni valley and Tarkwa Nsuaem Municipality in particular. It is in the wake of these paradoxes that the study sought to investigate whether gold mining had facilitated or impeded community development in the country.

Agricultural lands are not only degraded by mining activities but also the decrease in the land for agricultural production has led to a shortening of land fallow periods (Akabzaa and Darimani, 2001). In this

regard, livelihoods are greatly affected. Again, Temeng and Abew (2009), express that within the mining sector, the livelihood concept has been adapted and defined as alternative livelihoods (ALs). These are projects undertaken primarily to compensate and re-establish those who have been adversely affected or require relocation due to mining activities. The essence of these is to reinforce the community development agenda in these areas.

Alternative livelihoods (ALs) are basically defined as projects or activities not relating directly to the primary business of the companies in Ghana (Afenu, 2006). However it has become evident that large mining companies see it as a favour rather than a responsibility towards their hosts to provide alternative livelihoods for them. In terms of livelihood, mining concessions have taken over lands used by indigenous people for their traditional livelihoods; rice fields, vegetable gardens, hunting and grazing livestock. In a report by Oxfam (2004), it indicated inter alia that traditional small scale miners have lost their small areas allotted for mining of gold to the bigger mining firms. Some communities have lost completely their cultural landscapes including mountainsides, burials and hunting sites to deep open pits. In amplifying this point, Bush (2009) opines that mining, particularly large scale, is a major cause of forcing people especially women to find alternative forms of livelihoods on their own.

The growing public concerns about the actions of mining companies have indeed, prompted Warhurst (2001), who observes that many of the environmental hazards and human right abuse incidents over the last 40 years have taken place in the extractive industries, particularly the mining sector. It is therefore, pertinent to highlight the need for dispassionate debates about social and environmental responsibility (Cowell et al., 1999; Boeker and Rienk, 2001). According to Trivedi (2000), mining digs at disturbing ecology, environment and habitat in order to 'extract economically' various deposits from the earth. This implies that mining as an extractive industry makes use of the resources offered by the environment for commercial purposes. "There are numerous social and environmental concerns and issues associated with the gold mining industry, including access to land at the exploration and mining stages" (Obara and Jenkins, 2006). The environmental pollution, damage to the health of affected communities and the increased mechanization of the industry according to (Cottrell and Rankin, 2000; Mitchell, 1999; Hilson and Murck, 2001), and cited in (Obara and Jenkins, 2006) have negatively impacted on employment levels.

As a way of highlighting community engagement of mining companies with their hosts, the long standing reputations for being environmentally destructive and socially disruptive, multinational mining companies, as Obara and Jenkins, (2006: p. 7) put it, "have incorporated such terms as 'sustainable development' and 'environmental management' into their corporate dialogues in an attempt to show that they are tackling problems with improved strategy and practice". However, as Campbell (2003); Pegg (2003); Hilson and Haselip (2004) explained, the ambivalent attitudes of the regulations, laxity in investment policies, and *ad hoc* monitoring systems in place in developing countries such as Ghana raise the question of how committed mining companies are, to sustainable development and their corporate social responsibilities.

There is ample evidence that companies with established operations also need to have effective dialogue with their stakeholders to ensure they maintain understanding of their stakeholders' perspectives and needs. Comparison of community members' perceptions with those of company representatives in the Ghanaian

gold mining industry also identified dissatisfaction with corporate activity and this dissatisfaction led to community demonstrations, mine roadblocks and vandalism of company properties (Garvin and McGee, 2007).

2. Study methodology

2.1. Profile of the study area

The district is located in the South Western part of the Western Region. It lies between latitude 40°N, and 50°40' N and longitude 1°45' W and 20°10'W. It is bounded by Wassa Amenfi District to the north, Ahanta West District to the south, Nzima East District to the west and Mphor Wassa East District to the East. It has a total land area of 2,354km². Temperature is fairly uniform with the range of 26°C in August and 30°C in March. It is the district with the highest rainfall in Ghana with a mean annual rainfall of 187.83cm, with a double maxima rainfall peak from March to September as the rainfall season and October to February as the dry season. The humidity is normally high throughout the year, on an average of between 70% - 80%.

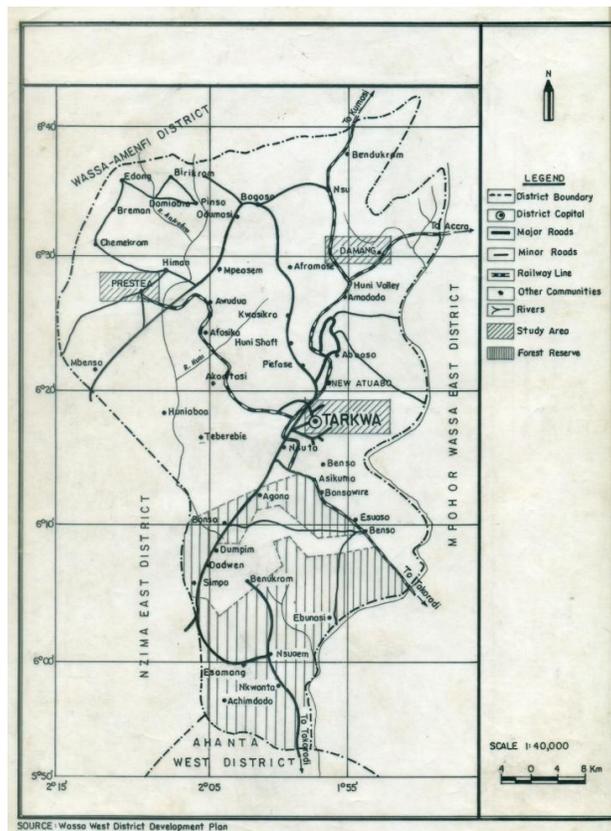


Figure 1. Map of the Wassa West District showing the selected study towns

2.1.1. Geology and soils

The district belongs to the Birimian and Tarkwaian geological formations but the mineral potentials of the Birimian rocks make it the most important formation. The district falls within the highly mineralized zone of Ghana and this has accounted for the existence of high concentration of mining activities in the district (Agbesinyale, 2007).

The rocks of the district in the Tarkwa area can be classified into four groups ranging from older to younger in ascending order, apart from the intrusives. The first one is the Superficial deposits which consists of alluvium, soils, laterite and terrace gravels. The second group is the Tarkwaian system which consists of the Huni sandstone, the Tarkwa phyllite, the Banket series and the Kaware group. The third one is the Birimian system comprising of the upper Birimian which consists of schist, lavas, tuffs, breccias and phyllite. The last are the intrusive rocks comprising of porphyry and diabase dykes, sills, gabbro, norite epidorite and amphibolites, granite and porphyry. All the ore deposits in the Tarkwa area are found in the rocks of the Tarkwaian system. These rocks however belong to the Precambrian era and are mainly arenaceous in character. The gold usually occurs in the conglomerate of the Banket series. This series is composed of quartz and pebbles which are nearly always barren, cemented together by quartzites, which may or may not be gold bearing.

The gold in the Tarkwaian system is generally believed to be alluvial in origin. The Banket reefs are essentially low grade and hence mining has to be carried out on a very large scale at high efficiency level in order to make it economically viable. The gold in this ores was derived from the Birimian schist. The main rocks around Prestea are however steeply inclined Birimian sediments and lavas which have been folded to form overthrust faults and sheer-planes dipping to the North-West and intruded by granite and porphyry (Kesse, 1985).

2.2. Research design and method of data analysis

This study is both qualitative and quantitative design in outlook, undertaken in three mining communities namely; Tarkwa, Prestea and Damang. These towns were carefully selected purposively, due to their geographical spread and proximity in terms of gold mining activities. Again, majority of the people who experience the direct effects of mining activities, are concentrated in these towns.

Out of the total population of 55,326 for the three communities (Ghana Statistical Service, 2002), 102 respondents were sampled on the basis of time and resource/logistical constraints by probability simple random technique which gave each of the respondents the equal and fair chances of being represented in the survey. This was done in order not to compromise the quality and reliability of the data outcome. Respondents consisted of both males and females basically within the ages of 20 and 70 years.

Based on the population sizes and areal extent of the communities under investigation, 36 local residents and three community leaders were selected from Tarkwa, 27 local residents and three community leaders were selected from Prestea whiles 26 local residents, with three community leaders selected from Damang. In all, a total of 89 questionnaires and key informant interviews were administered and conducted in the

three selected communities respectively. A'koon and New Atuabo were the main communities selected in Tarkwa while Afegya and Aketsewa communities were selected from Prestea. In Damang, the entire community was studied because of its relatively small size. The unit of analysis was the household.

Again, four questionnaires together with structured interviews were administered to the authorities of Gold Fields Ghana Limited and Prestea Sankofa Gold Limited operating in Tarkwa and Damang and Prestea respectively.

Data collection tools included structured household, closed and open-ended questionnaires and interviews administered to stakeholders and other key persons who had critical information to share on issues relating to mining and community development. Among such people were representatives from the Wassa West District Assembly (now divided into Tarkwa-Nsuaem and Prestea-Huni Valley District) and the Wassa Association of Communities Affected by Mining (WACAM).

3. Results and discussion

3.1. Gold mining and community development

Community development encompasses a range of approaches and activities to improve the welfare and livelihood of people living in rural communities (Bush, 2009). Approaches to community development (Yeboah, 2005; Songsore, 2003) pay attention to social issues particularly community organization, welfare and decency in living conditions. This definition was adopted by the study communities, as it applied to their quests as intrinsic requirements for development. Mining is one economic activity that has really brought about appreciable level of civilization to man. Mining is one activity that has facilitated the transformation of man from the Stone Age era to the era of Technology.

It is an established and expected fact, that the exploration of mineral resources in many countries is the key to their development due to the fact that countries endowed with mineral resources derive great benefit from the mining industry through its contribution to Gross Domestic Product (GDP) of the countries, creation of employment, improvement in the balance of trade and raising of levels of living (Aryee, 2001; Sraku-Lartey, 2000).

In Ghana, in particular, mining contributes largely to the economy in three (3) important ways. Firstly, it is a foreign exchange earner; a major source of employment especially in the rural areas and a great contributor to the internal economy of the country by way of taxes and duties (Aryee, 2001; Kesse, 1985). It is therefore significant to note that, mining in general, and gold mining in particular has brought some level of socio-economic benefits to the country. In areas such as the Wassa West District (now divided into Tarkwa-Nsuaem and Huni valley), Mining companies to some extent, have had some impact on the development of the communities, by opening up these areas to modern trends of development through the provision of some physical infrastructures.

3.2. Major problems identified in the mining communities

With the central concern of the study being the impact of gold mining on community development, the task of identifying the major concerns of problems in the mining communities could not be overlooked. These problems were considered in line with the presence of gold mining activities. The study was predicated on the assumption that gold mining could be used as a tool for the development of host communities in the Wassa West District (now divided into Tarkwa-Nsuaem and Huni valley).

Community responses with reference to specific towns revealed the following: forty-five (45) percent of the respondents in Tarkwa, thirty (30) percent in Prestea and twenty-five (25) percent in Damang indicated unemployment and child labour among others as some of the major problems. This situation is particularly alarming in Tarkwa, unlike the other two communities, due to the influx of migrant labourers into Tarkwa, the district capital in search of jobs (Bush, 2009). In addition to this, the respondents stated differently of other social and environmental problems at different magnitudes, depending on the location and the prevailing local conditions. Issues such as poor health, with malaria and tuberculosis being the most reported cases of ailments at the hospital. Also pointed out, was environmental pollution as the major problem which sometimes aggregates other social conflicts (Hilson and Murck, 2001), and cited in (Obara and Jenkins, 2006).

Again, there were indications that although the mining companies have demonstrated some commitment to the provision of social amenities to their host communities (NADeF, 2010, Pegg, 2006), it was however, not enough as the respondents reacted with the following responses; as to whether lack of these amenities posed any livelihoods and hence, developmental challenges. Apart from Damang, forty-two percent from Tarkwa and 58 percent respondents from Prestea stated categorically that the absence of social amenities, such as portable water, school, clinic, community centre and market, indeed, was one of the major problems faced by the communities. It was also evident that the absence of job opportunities had compelled some of the youth to engage in social vices such as thievery, prostitution, and waywardness (Rolfe et al., 2005; Aryeetey et al., 2004). In situations where the youth finds life frustrating most of them have migrated to other towns and cities, in search of lucrative livelihoods. This was identified as a cancer facing the communities.

In order to draw a further relationship between these problems and gold mining activities, local residents were asked whether the presence of mining has been the cause of these problems. In response, an overwhelming majority of the respondents from all the communities attributed the main cause of the challenges arising from gold mining, as enumerated earlier. Only insignificant percentage other than Tarkwa, stated that gold mining had nothing to do with the problems. Cumulatively, out of the total respondents of eighty-nine, 72 percent attributed the cause of the problems to gold mining while 28 percent indicated otherwise.

Respondents were of the view that although it was the mandate of government to provide these social amenities, gold mining companies owe it as a corporate social responsibility, in view of the benefits they derive from exploiting local resources. They contended that the companies owed it as an obligation to ensure that the communities have sustainable livelihoods and led lifestyles of decency that would enhance their human dignity.

From the responses gathered, it is clear that the major problems ranged from health, lack of infrastructure, unemployment, child labour and environmental pollution. However, unemployment and child labour stood out as the major problem in all the three selected communities. According to the respondents, the high rate of unemployment and child labour can be attributed to gold mining. Some explained that the retrenchment of people during the shift from underground mining to surface mining has led to the high unemployment rate in the communities and this has led to increase in child labour. For the same reasons, (Sachs and Warner, 1995) observe that mineral resource development brings about few positive externalities to forward and backward industries, and the learning-by-doing effect is not expected in this area, either.

Other respondents were of the view that unemployment and child labour are nation-wide problems usually associated with increased population and not problems peculiar to mining communities. On the issue of mining companies and local residents employment, authorities of mining companies explained that the prospective employees from the communities invariably, did not have the requisite skills for employment. This is because the sector is a capital rather than a labour intensive sector. This problem however, is being solved in the long run by the institution of mining companies' scholarship scheme for the needy but brilliant students from the host communities, at all educational levels, up to the university.

On issues of restitution, which also came up as a major concern of some landowners, a closer look at the responses from the local residents shows that there have been instances where some people have not been compensated at all or those who have been given compensation have taken a pittance. One respondent from Damang in an interview stated:

"The mining company took my plantain and cocoa farm without any compensation. When I decided to take them to court, they gave me only GH¢50.00".

The ¢10,000 (old) Cedis is equal to Gh¢ 1.00 (new) Cedis introduced in July, 2007 [Gh¢ 1.80 = \$1.00, as at May 2012]

3.3. Incidence of contaminated water by mining

The incidence of air and water bodies' contamination was a common observation in all the three selected communities within the study area. This phenomenon is attributed to the use and disposal of chemicals and effluents by mining companies, as well as the small scale, (sometimes illegal) gold mining operators. This resulted in the contamination of streams and rivers which happen to be the major source of water supply to these communities, rendering them non-potable. A respondent in Prestea noted in an interview that: *"Our rivers and streams have been polluted by gold mining activities. The Ankobra River for instance, has been polluted by surface mining".*

The above sentiment has resulted from high incidence of contaminated-related diseases like tuberculosis, stomach problems and skin diseases reported at health posts and clinics in the affected communities. This view was supported by a top official of the Wassa Association of Communities Affected by Mining (WACAM) that:

“Gold mining has not been beneficial to the mining communities. This is seen through environmental pollution and associated problems. However, mining companies have done little to address these issues”.

In support of the above assertion, Sinding and Peck (2001) cited in Darimani (2008) noted, the business of finding, extracting and processing mineral resources is widely regarded as one of the most environmentally and socially disruptive activities undertaken by industry (Granville, 2001; Aryeetey et al., 2002).

However, in communities like New Atuabo near Tarkwa, periodic laboratory tests of the source of water were carried out by mining companies and where there was high degree of pollution; these facilities had been replaced or treated. It was also observed that some mining companies, as part of their corporate social responsibility efforts have made provision for bore holes water supply and built clinics to treat water-related ailments.

3.4. Effects of gold mining on community livelihood

Examining the socio-economic impact of mining on residents of mining communities, we attempted to look into the degree of effect of gold mining on household livelihoods of residents of mining communities as embodied in the main objective. Residents opined differently that gold mining had affected their livelihoods in one way or the other, positively or negatively. The divided opinions in Tarkwa may be due to the fact that as a District Capital, it seems to have been given considerable attention in terms of infrastructural development and the creation of other livelihood opportunities.

It is undeniable fact that mining as an industry has contributed some marginal gains to the local economies by creating jobs, creation of markets and boosting of ancillary industries as well as expanding the local market economy. These gains are however, invariably being eroded by the higher burdens of marginalization and the drastic shifts in the local economic paradigms through loss of livelihoods and socio-economic instabilities. All these have largely aggravated underdevelopment.

It was realised, generally, from the responses that gold mining activities have adversely affected livelihoods via landlessness, more in Prestea and Damang than Tarkwa, as per the proportionate representation of 41%, 33% and 26% respectively. Surface mining for instance, has claimed farmlands which are main source of livelihood and rendered many people jobless (Cottrell and Rankin, 2000), and cited in (Obara and Jenkins, 2006). Being denied access to their farmlands, they had to initiate other sources of livelihood which have not been self-sustaining. The fact is the retrenchment of many mine workers during the transition from underground mining to surface mining has made a lot of people redundant. This idea was mainly expressed by petty traders in the communities, who related this problem to the drastic reduction in their customer base.

In line with mining companies' initiatives to develop the affected communities, the introduction of Alternative Livelihood Programmes (ALPs) has been their 'trump card'. An example is the Sustainable Community Empowerment and Economic Development Programme (SEED) by Goldfields Ghana Limited in

Tarkwa and Damang. Under this programme, various projects were introduced, ostensibly to alleviate the precarious poverty conditions due to assets dispossession to the communities. These included fish farming, oil palm plantations, piggery, livestock rearing, etc. The responses clearly indicate that majority of the people in the study area have not been adequately briefed about the programme. In A'koon a suburb of Tarkwa, for instance, though the inscription "SEED" had been written on a sign post at the entrance of the community, respondents indicated that they were not aware of the programme. A respondent from one of the communities ignorantly stated:

"Even if they give you the "SEED" where is the land for you to plant them since they have taken over your land for mining?"

In this context, respondent understood the SEED programme as the giving of crops "seeds" by mining companies for planting; a confirmation of the ignorance of the programme. The few who had some knowledge admitted and explained that, although the programme has been instituted, it has not been beneficial to the community in the sense that after the training, beneficiaries could not access capital to set up their own businesses. Besides, they saw the introduction of some of the projects as alien to their local socio-economic undertakings and therefore out of place in their traditional setting and context.

3.5. Measures to mitigate the problems

In order to include the aspect of participation on decisions made by gold mining companies, the study solicited for the views of local residents on the measures they would like to be implemented by government and the mining companies to mitigate these negative impacts of gold mining in their communities.

Out of the total respondents from all the three communities, majority of the respondents (60%) were quick to point out that issues on livelihoods restoration, provision of social amenities and payment of adequate Compensation needed urgent attention. This is in support of the observations made by (Temeng and Abew, 2009) that in mining areas livelihood issues are a big issues that require concrete measures.

These situations arise in the mining communities in Ghana, when, for instance, large projects of mining activities deprive the host of their means of livelihoods. Land and other productive assets would therefore require adequate Compensation and re-establishing those who have been relocated or adversely affected by mine activities (Bush, 2009). Other problems such as reduction in the discharge of effluents and reforestation, which are purely environmental, were also advocated for by the communities, imploring the Environmental Protection Agency to enforce strict compliance (Appiah, 2006).

With reference to the information gathered, it was evident that majority wanted the mining companies to give them alternative livelihood programmes other than those under the SEED. To them, if this was done, it would create employment for them and reduce the unemployment created by surface mining, as a result of landlessness and retrenchment of labour (Bush, 2009).

4. Conclusions and recommendations

The mining sector of the Ghanaian economy has attracted overwhelming quantum of foreign direct investment, due to the favourable political conditions created over the last two decades. The government has reaped substantial foreign exchange earnings from this metal.

Contrary to expectations however, the impact of this wealth generated from the sector, had not trickled down to the host communities. The marginal contribution of gold mining to the development of the affected communities has mainly been in the area of infrastructural developments like schools, clinics, roads, boreholes and pipe borne water supplies.

Little development in terms of direct improvement in their economic livelihood, through the introduction of the SEED programme, which the people do not like anyway, was evident in the communities. Further to this, community leadership and the local residents are of the view that the provision of some infrastructure cannot be equated to development, considering the many adverse socio-economic and environmental effects of gold mining to human health and livelihood.

There is ample evidence that companies with established operations also need to have effective dialogue with their stakeholders to ensure they maintain understanding of their stakeholders' perspectives and needs. Comparison of community members' perceptions with those of company representatives in the Ghanaian gold mining industry also identified dissatisfaction with corporate activity and this dissatisfaction sometimes resulted in community demonstrations, mine roadblocks and vandalism of company properties (Garvin and McGee, 2007).

As a result, the resentment of the local people is sometimes unleashed on these mining companies through encroachments of concessions and illegal mining. These illegal mining activities, commonly called *galamsey* in Ghana have caused widespread environmental damages to water bodies and degraded land and vegetation and sometimes forest covers (Aryeetey et al., 2002).

One of the reasons for the communities' agitations for safer environments in the mining areas in Ghana stems from the virtual neglect of these communities that radiates from the non-compliances with the environmental and social regulations and norms respectively. By this, the infringement on the socio-economic livelihoods of the mining host, who invariably depend on such resources in the environment as water, land and tree are aggravated.

The precarious situation of local communities is compounded by the magnitude of the adverse consequences including the abuse of their human rights as a result of mining operations. When measured the benefits against the socio-economic losses, the contributions of gold mining to the development of Ghana is a more bane than a blessing.

Finally, it is significant to note that, the assumption that community development could result from mining, showed a deviating viewpoint in comparison to the findings of the study. Government needs to focus on rural and local community development drive, by re-directing foreign direct investment, to remedy the deprivation situation in the countryside.

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