

Ghana's traditional and state powers must collaborate to halt illegal mining

By [James Boafa](#)

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Illicit mining is carried out on lands sold by traditional rulers. Wikimedia Commons

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Although Ghana requires permits to mine on a small scale, it is estimated that about [70%](#) of small-scale miners are unregistered and operate illegally. They are known locally as *galamsey*, meaning to "gather and sell".

While illegal mining supports livelihoods, it has caused severe damage to the [environment](#). It is blamed for destruction of farmlands and pollution of water bodies. It also denies the state revenue: an estimated [\\$2.3bn](#) in 2016.

Some scholars have argued that the cumbersome legal regime and licensing procedures are to blame for the proliferation of illicit mining. Others blame corruption, poverty and high unemployment, institutional weakness and the lack of political will to combat it. These views have gained currency in recent years along with the increasing involvement of foreign nationals,

particularly Chinese, in the sector.

But the debates overlook how the relationship between state institutions and customary institutions enables illegality in the small-scale mining industry. Governments and customary institutions in Ghana have engaged in mining governance since colonial times. Yet academic scholars and policy commentators usually analyse the two institutions separately.

Our [study](#) focuses on this relationship. Our findings suggest that the increasing involvement of the Chinese in small-scale mining in Ghana is part of a bigger problem: the lack of coordination between key state and customary institutions.

Chinese involvement in small-scale mining

Although [relations](#) between China and African countries go back in time, they have gained momentum in the past 20 years. The reasons include China's search for mineral resources to sustain its economic growth and to meet the demand of its growing affluent class.

The demand for precious minerals such as gold, in particular, is strong. In 2018, China consumed [1151.43 tons](#) of gold out of the total global demand of [4345.1 tons](#), making it the world largest consumer of gold for six consecutive years. Demand is driven by a growing middle class seeking jewellery and gold bars as a store of value.

Reflecting this high demand, the price of gold in the global market [surged](#) in the late 2000s. That gave an incentive to thousands of prospective miners and related business people to migrate from China to Africa. Since 2005, over [50,000](#) Chinese gold miners have migrated to Ghana, with about [70%](#) of them coming from Shanglin County, an impoverished area in the southern Guangxi province.

Ghana's mining law prohibits foreigners from engaging in small-scale mining. The sector is reserved for Ghanaians. But foreign miners can get around this. First, some [Chinese](#) enter the sector by providing mining support services to local miners and later become owners of mining concessions. Others buy mining concessions from Ghanaians. And some [Chinese](#) miners buy land from chiefs and local people for mining.

These illegal mining deals tend to be negotiated at the local level, involving actors within customary land institutions. Ghanaian miners, local chiefs, politicians, local leaders and residents collude with Chinese miners.

Disconnect between state and customary land institutions

The Ministry of Lands and Natural Resources has the overall responsibility to regulate the mining sector. The Minerals Commission, which is a government agency under the ministry, is the main regulatory body for mineral-related transactions. These state institutions enforce the [mining law](#), including procedures for acquiring a mining licence.

The commission reviews applications for mining licences and makes recommendations to the ministry to issue permits. Before mining can begin, chiefs and other traditional leaders must be informally consulted and "appreciated" by being paid a fee. This is because they are the traditional custodians of customary land, comprising 80% of all land in Ghana.

The 1992 [Constitution](#) of the Republic of Ghana stipulates that chiefs are the overall custodians of customary land. But the state owns the resources underneath or on the surface of all land. This arrangement has bred tensions between the customary and state institutions. Access to mining land is negotiated with actors in the customary land institution, but the state grants a permit to mine.

Our [research](#) reveals that such contradictions in the law, coupled with informality in the mining sector, enable Ghanaians and Chinese to circumvent state institutions by engaging directly with customary land actors (chiefs and family heads) to acquire land for mining. In most cases, the locals collude with the foreigners by providing crucial local knowledge or a shield from state authorities.

We suggest that the increasing involvement of Chinese in small-scale mining in Ghana is only an expression of a problem that has characterised the sector for decades. This includes legal contradictions, marginalisation of the customary land institution and lack of coordination between so-called formal and informal institutions responsible for natural resource management.

What next

Over the years, the state has adopted technocratic approaches, including military action, to combat illegal mining activities. For instance, in 2013, at the peak of Chinese engagement in the industry, the state set up an [Inter-Ministerial](#) Task Force to clamp down on illicit mining activities. A new version of this called [Operation Vanguard](#) appeared in 2017. Both task forces were composed of actors from state institutions, without much involvement of customary land actors such as chiefs.

To combat illegal mining in Ghana, “formal” participation of chiefs and traditional actors in the sector is required. In the long term, customary representatives must also be regular actors in state institutions in charge of land and natural resources. They should not only be informed or consulted but must be integral to and active in all mining transactions, including the acquisition of a licence.

This bridges the philosophical and operational gaps between so-called formal and informal institutions, promotes trust, increases information sharing, creates continuous surveillance, and instils transparency.

This article was co-authored with [Senyo Dotsey](#) and Sebastian Paolo, PhD researcher, School of Political Science and International Studies, University of Queensland (Australia).

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