Strong Institutions in Weak States: Institution Building, Natural Resource Governance, and Conflict in Ghana and Sierra Leone

by

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Duke University

Date March 9, 2017
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Dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in the University Program in Environmental Policy in the Graduate School of Duke University

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ABSTRACT

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Abstract

Since the end of the Cold War, natural resources have assumed an increasingly prominent role in security, conflict, and peace studies. Scholars and development practitioners alike view the development of strong institutions, which aim to domesticate global regulatory regimes that foster neoliberal principles like privatization, transparency, and accountability, as necessary to mitigate natural resource conflict in resource-rich states, as well as enhance opportunities for peace and social justice. However, the application of environmental peacebuilding theory to resource-rich contexts has outpaced the ability of empirical research to substantiate its claims, and scholars remain unclear about the mechanisms by which institutional reforms minimize conflict risk or promote peace. This dissertation examines the extent to which the diffusion and uptake of global environmental governance standards has (re)shaped the politics of mineral extraction in Ghana and Sierra Leone. I explore claims that social and environmental outcomes have deteriorated amid efforts by Ghana and Sierra Leone to build regulatory capacity. Using interview, survey, and ethnographic data collected across multiple scales in Ghana and Sierra Leone between 2014 and 2016, I find that while governance reforms have produced strong environmental regulatory institutions in both contexts, these institutions have failed to drive wider social and environmental change within society. Rather, institutional reforms have contributed to patterns of development that undermine state-society relations, and reinforced conditions that promote institutional plurality on the ground. The state remains only one of several options for obtaining legitimate access to mineral resources, meaning that multiple and conflicting sets of “rules-in-use” govern extraction. This perpetuates what I term a “hollow state” in which formal state institutions are continually eroded by informal bottom-
up processes. The resulting institutional terrain has produced conditions in which plural authoritative networks compete for social influence as well as access to and control of natural resources. This, in turn, has contributed to chronic, low-intensity conflict, environmental degradation, and the pursuit of elite interests and power at the expense of sustainable resource extraction and livelihood security. Overall, this research suggests a need for environmental peacebuilding theory to reconceptualize linkages between environment, development, and social stability in resource-rich states.
Dedication

To Dries, who was incredibly supportive throughout the dissertation process.

To my mom, Maeve, who cultivated a passion for adventure and a drive for excellence.

To my family – John, Kitt, Lyle, and Margaret – who have remained supportive despite my crazy life choices.

And finally, to Daly, Roux, and Ava, who provide unconditional love and happiness on even the gloomiest of days.
Contents

Abstract ........................................................................................................................................... iv

List of Tables ................................................................................................................................... xi

List of Figures .................................................................................................................................. xii

Acknowledgements .......................................................................................................................... xiii

1. Exploring Extractive Conflict in West Africa ............................................................ 1

1.1 Conflict in the Rainforest ................................................................................................. 1

1.2 Governance, Peace, and Conflict in Resource-Rich States ........................................... 8

1.3 Building Strong Institutions in Ghana and Sierra Leone? .......................................... 12

1.4 Institutional Transfer and Social Change ........................................................................ 16

1.5 State-Society Relations in the Era of Good Governance ................................................. 23

1.6 The Plan of the Dissertation ............................................................................................... 28

2. Good Governance and Resource-Rich States in the Global South ............................... 32

2.1 Understanding Instability in the Global South ............................................................... 36

2.1.1 The Good Governance Agenda: From Liberalization to Statebuilding .................. 36

2.1.2 Institutions as a Buffer to Liberalization .................................................................. 40

2.1.3 Natural Resources as a Source of Instability .............................................................. 44

2.1.4 Beyond Abundance: Natural Resources in Context ............................................... 51

2.2 The Resource Curse as a Governance Curse: The Rise of Resource-Rich States ... 59

2.2.1 Defining Resource-Rich States ..................................................................................... 59

2.2.2 Explaining the Emergence of the Resource-Rich State ........................................... 68
3. Good Governance and Limits to Institutional Change in Resource-Rich States ........ 76

3.1 The Puzzle: Institutional Diffusion and Social Change in Ghana and Sierra Leone ..................................................................................................................................................... 80

3.1.1 Creating Social Change in Ghana and Sierra Leone ........................................... 80

3.1.2 Strong Institutions in Weak States ........................................................................ 87

3.2 Institutional Diffusion and Domestic Political Change ........................................... 94

3.2.1 Reinforcing a Fragmented Political Terrain .......................................................... 102

3.2.1.1 Emergence of the Regulatory State ................................................................. 104

3.2.1.2 Creating Space Without Place ......................................................................... 110

3.2.1.3 The Role of Alternative Governance Suppliers ............................................. 113

3.3 Natural Resource Governance in a Fragmented Political Terrain ....................... 121

3.3.1 The Selective Political State .................................................................................. 122

3.3.2 Social Change and Natural Resource Conflict .................................................... 126

3.3.3 Society in Equilibrium? ....................................................................................... 131

4. Regulation Rising: The Regulatory State in Ghana and Sierra Leone ...................... 135

4.1 Ghana’s Institutional Landscape ............................................................................. 140

4.1.1 Emerging from Colonialism ................................................................................ 140

4.1.2 The Period of Structural Adjustment .................................................................. 143

4.1.3 Good Governance in the Minerals Sector .......................................................... 149

4.1.4 New Wars and the Resource Curse ..................................................................... 158

4.1.5 Good Enough Governance in Ghana? ............................................................... 165

4.2 Sierra Leone’s Institutional Landscape .................................................................... 172
4.2.1 An Emerging Environmental Regime .......................................................... 178

4.2.2 Mineral Regulation ....................................................................................... 183

4.2.3 Environmental Regulation ......................................................................... 190

5. Regulating an Environmental Peace in Ghana and Sierra Leone ............ 201

5.1 Creating Agents of Change ........................................................................ 206

5.2 Limitations to the Regulatory State ............................................................. 215

5.2.1 Financing Regulation ................................................................................. 218

5.2.2 Reinforcing Elite Regulation ................................................................... 225

5.3 Inhibiting Access .......................................................................................... 238

5.4 Inhibiting Participation ................................................................................. 250

6. Unearthing Conflict in Rural Ghana: Mining, the State, and Institutional Change .... 270

6.1 Understanding Governance in Rural Ghana ........................................... 278

6.1.1 Governance and Authority in Ghana ....................................................... 279

6.1.2 Household Surveys in the Western and Brong-Ahafo Regions ........ 286

6.1.3 Survey Results: Sample Villages in Context ........................................ 295

6.1.4 Survey Results: Fractured Authority for Minerals Governance ....... 301

6.1.5 Survey Results: Fractured Authority and Conflict ............................... 313

6.2 Conflict in Context: Understanding Ghana’s Political Terrain ............ 322

6.2.1 Noninterference Communities: F1 and G1 ........................................... 322

6.2.1.1 Village F1 ......................................................................................... 323

6.2.1.2 Village G1 ......................................................................................... 328

6.2.1.3 Summary: Noninterference Communities ......................................... 332
6.2.2 Interdependent Communities: M3 and M4 ............................................. 333
  6.2.2.1 Competition in the Newmont Concession ........................................ 335
  6.2.2.2 Strategic Importance of the Newmont Concession ............................. 338
  6.2.2.3 Summary: Interdependent Communities .......................................... 346

6.2.3 Selective Interference Communities: G2 and G5 ................................ 347
  6.2.3.1 Village G2 ...................................................................................... 348
  6.2.3.2 Village G5 ...................................................................................... 353
  6.2.3.3 Summary: Selective Enforcement Communities .................................. 360

6.2.4 Direct Interference Communities: Villages G3 and G4 ............................ 362
  6.2.4.1 Competition and Conflict in the Golden Star Concession .................... 364
  6.2.4.2 Enforcement and Conflict in the Golden Star Concession ................... 370
  6.2.4.3 Direct Interference Communities ..................................................... 375

6.3 Implications of a Fragmented Political Terrain ........................................ 377

7. Good Governance, Natural Resource Conflict, and Peacebuilding .............. 381
  7.1 Good Governance and the Resource-Rich State ...................................... 381
  7.2 The Realities of Institutional Transfer in Resource-Rich States .................. 389
  7.3 A New Political Calculus: Environmental Governance and Peacebuilding ... 395
  7.4 Conflict and Environmental Degradation .............................................. 403
  7.5 Good Governance as a Way Forward? ...................................................... 409
  7.6 Conclusion ............................................................................................... 414

References ........................................................................................................... 417

Biography ............................................................................................................. 447
List of Tables

Table 1: EPA-SL revenue in 2014 and 2015 ................................................................. 225
Table 2: Demographics of respondents ................................................................. 297
Table 3: Demographic data for villages ............................................................... 299
Table 4: Percentage of households growing principal crops, measured both by village type and by the total number of households growing each crop within the entire sample population .................................................................................................................. 300
Table 5: Perceptions of mineral governance in Ghana by village type .................... 303
Table 6: Logistic regression of state authority for minerals on key characteristics ...... 305
Table 7: Logistic regression of natural resource conflict on key characteristics .......... 317
Table 8: Government revenue (in USD) from all large mining corporations from 2009-2014 ................................................................................................................................................. 340
List of Figures

Figure 1: Alternative governance suppliers operating in the informal economy .......... 117
Figure 2: Typology: Patterns of social conflict ........................................................... 127
Figure 3: Map of western Ghana ............................................................................ 291
Figure 4: Village typology ..................................................................................... 315
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1. Exploring Extractive Conflict in West Africa

1.1 Conflict in the Rainforest

Samuel hoisted the water pump onto his head with assistance from another laborer in our small group. He would carry it for the two-hour walk through farms and forest to the galamsey\(^1\) camp established within the borders of a Forest Reserve in Tarkwa Nsuaem District, Ghana. The camp was starting up again after a two-month hiatus, and the three newest laborers had been designated to carry in some of the essential equipment. After much discussion in the community that morning, the machine owners and general workers agreed that I could tag along with the group since they would necessarily be moving slowly over the small forest footpath trailblazed by farmers, galamsey, and chainsaw\(^2\) operators.

We started out at a brisk trot along a path dotted on each side with cocoa farms at various stages of production. Even while balancing a pump on his head, Samuel walked at a speed with which it was difficult to keep pace. We marched through the verdant mosaic of farms and forest, eventually crossing the border of the reserve into the fragmented remains of West Africa’s vanishing rainforest. Almost immediately, we happened upon three chainsaw operators taking a break on the forest path. They

\(^1\) Galamsey is defined as artisanal or small scale miners operating \textit{informally} without official licensing or permits from the Government of Ghana. Hilson and Yakovleva (2007: 100) note that galamsey is a “local term given to illegal artisanal miners, the literal translation of which is ‘gather them and sell.’”

\(^2\) Chainsaw operators are informal loggers operating without official licensing or permits from the Government of Ghana. Together with galamsey, these actors make up the informal extractive sector.
regarded us warily, especially the lone Obruni\(^3\) traveling with the group, but said nothing as we passed. Within the range of “illicit” activities that occurred in Ghana’s forests, I understood from my work in the communities that chainsaw operators tended to be the most guarded.

My guides began pointing out areas along the trail on which the galamsey had been formerly active. Although the forest had begun the process of reclaiming the scarred earth, bald patches cleared by shovels and pickaxes were still visible even to my untrained eye. I began to hear the steady drumming of small generators in the forest beyond – telltale signs of galamsey at work – though it took us another five minutes to reach the active site. As I stepped out from the forest edge into the clearing beyond, my mouth fell open in astonishment at the transformation of the once dense forest. I was looking at a cratered moonscape the size of a football pitch, which began at the edge of a rocky rise dotted with trees at one end and lolled down a gentle slope to where it met the forest edge at the other. The bushes had been cleared; however, isolated trees remained moored to small dirt islands that hovered precariously above the humming machines. The earth around each tree had been slowly excavated as the miners progressed in their work of pit-making, leaving the silent sentries to hold desperately to whatever earth was left beneath like the stem on an apple core.

\(^3\) Obruni is a Ghanaian term to define someone as coming from outside of Africa.
Some of the laborers came over to investigate my presence at the site. Recently, Ghana commenced operations to clamp down on galamsey activities, especially in forest reserves. Enforcement units had been established across different government agencies. In the Forestry Commission, Rapid Response Units (RRUs), composed of forest guards trained in security enforcement, were created to root out illicit activities in the reserves – especially those related to chainsaw operations and galamsey. Heavily armed, these “soldiers” (as they were called by the galamsey) represented an effort by the state to extend its enforcement capabilities to remote areas. As such, my sudden appearance was a cause for immediate concern: I could be a representative of the state, a scout from a mining company, or a prying reporter, all of which posed a direct threat to the laborers in the camp. As we engaged in several minutes of conversation to explain the purpose of my presence – I was a student here to study the relationship between natural resources, governance, and social conflict in Ghana – we were interrupted by several shouts and a loud THWACK! A tree in the middle of the site lost too much soil; its grip on the earth failed and it succumbed to the mud below. We all considered the downed tree silently for a moment. Then, one of the laborers turned to me and said: “the weak trees fall over and strong ones stand, as you see.” I felt the truth of this declaration extend beyond the sad island trees as I looked out over the dozens of men engaged in backbreaking work to eke out a living covertly in the middle of the rainforest.
The shared experience of observing the death of a tree provided an opportunity for instant bonding, and I was led without further question to the site leaders. The leaders politely answered my many questions about galamsey and governance while sitting around their campfire cooking lunch. Our conversation took a turn toward enforcement and the RRU. Many households in the study community had indicated that the galamsey paid the (Forestry Commission) forest guards to either not enforce rules limiting forest access or warn them if others were coming to enforce those rules. The site leader confirmed that they used to pay the forest guards, but the practice was now obsolete with the arrival of the RRU. Looking around me at the scale of devastation and the lived-in quality of the camp, I asked if bribes were no longer necessary because the RRU was not very serious about its job protecting the forest. With an air of incredulosity, the group bombarded me with stories of arrests, beatings, (gun)shots, and destruction of personal property. I was told in no uncertain terms that if the RRU showed up right now they would run, and I should run too. In short, they believed the RRU was very serious about its job – at least in this particular location. However, the site leader was equally serious about his intent to continue galamsey in the reserve no matter the consequences. In response to my final question about whether the RRU would eventually force these miners to move on from their forest camp, the site leader swore that even “if [the] soldiers come 100 times, then we will return 100 times” because “we have nothing else going.”
I met my research team and vehicle on the other side of the reserve in another community bordering the reserve edge where the traditional authorities had authorized “small scale” surface mining common across much of Ghana. Although the miners in this community possessed permission from the traditional authorities, they – like the forest galamsey – did not simultaneously possess a permit from the state formalizing their operations. Yet, the RRU had never disrupted their work despite being only a short distance from the reserve. I encountered this type of selective enforcement in many of the communities in which I worked: some galamsey camps would consistently report being harassed by either state or private enforcement personnel while others were unaware of their existence. While these groups were almost identical in their social and environmental impacts on broader society in Ghana, it was obvious that there was a deeper pattern affecting their ability to operate. It was a constant question I asked in almost every community: “why you and not them (or vice versa)?”

Driving back to the primary research community, we met one of the machine owners on the road racing to the forest site to inform the galamsey laborers that the RRU was on its way. He slowed long enough to inform of us the news and advise us that we should not go back to the forest camp. Upon entering the research community, from which I had departed that morning, we observed the Forestry Commission’s forest-green truck parked just at the edge of the town boundary. As we turned onto the main dirt street, we saw a large crowd gathered outside the chief’s house waiting for news
from the camp. The mood was tense. Though a substantial number of people had
gathered, it was strangely quiet. There was no music blaring over loudspeakers, no
children kicking a soccer ball in the street, and no women selling kenkey from roadside
tables calling loudly to passing friends and neighbors: the crowd stood silent and
anxious, a sense of foreboding in the air. What if someone was hurt? Who would be
arrested? How much would it cost to get them out? How would the household afford to
replace machines demolished in the raid? These were only some of the possible
questions to which responses were not fast enough in coming.

At this point in my research, I had spoken to a number of galamsey workers who
always seemed more annoyed by than scared of the “soldiers.” The official procedure
for dealing with any of the various enforcement officials that might come to uproot
galamsey – “run away, hide, and come back” – was repeated frequently and with
disinterest, as if it was a performance that had to be repeatedly re-enacted. Today,
however, it felt real and terrifying. I understood that I would be suspected as a potential
informant given the unfortunate coincidence that my presence at the camp coincided
with the inexplicable arrival of the RRU on the very day the laborers started their
operations after a long break. I was not surprised to hear angry whispers as I
approached the chief’s house. One member of my research team urgently whispered
that we should pack the car immediately for departure. At the chief’s house, we learned
from farmers located along the route to the forest site that the RRU had “beaten up and
arrested” the three chainsaw operators we saw on the path. They had witnessed the men being led back along the path to the community, but could not provide additional information about the galamsey. One of the farmers estimated that the RRU had only been about 30 minutes behind us. Worried for my safety, he had walked back to town to make sure I had not been arrested by the soldiers. The hours stretched thin as my team attempted to reassure the residents of the village that I was not an informant and as we collectively waited for news.

The workers began trickling back into town about three hours later. One person, sent out for petrol, had been arrested. The rest had escaped unscathed; however, their personal items were not as lucky. The RRU burned all the bags, clothes, and money at the site. Many of the machines had been destroyed and the water pump that had been so painstakingly carried in was confiscated. For these workers and their families, the loss was massive. Even so, the tension that had gripped the community only a few hours before dissipated with the safe return of the men. The site leaders explained to the community that they had learned the informant was a forest guard in a neighboring village. We watched as many of the laborers gleefully re-enacted their narrow escape from the law before everyone finally drifted their separate ways into the descending dark. My team and I were left to ponder what retribution would befall the forest guard in the neighboring village who had dared to betray his fellow countrymen out of loyalty to the state.
1.2 Governance, Peace, and Conflict in Resource-Rich States

The conflict in the Ghanaian Forest Reserve reflects broader patterns of interaction between state and society across much of Western Africa, but also across much of the world. In the extractives sector, the academic literature has chronicled the rise of informal market activity across the Global South—a response many scholars attribute to the continued predominance of a neoliberal development discourse grounded in Washington Consensus principles. Sepulveda and Syrett (2007: 88), for example, argue that “there is considerable evidence that suggests the [informal economy] is growing worldwide and hence it is increasingly recognized as a factor of modern capitalist development, not just a problem of traditional economies.” From Ghana to Colombia, the informal mineral economy, in particular, has proliferated across rural contexts, often in direct competition with large-scale extractive producers, agricultural producers, and state protected areas (Nem Singh & Bourgouin 2013a). Such intense competition for natural resource access and benefits on the ground has fostered natural resource conflict across diverse players and contexts, leading to allegations of widespread human rights violations and environmental violence on the part of multinational companies and the state. It has also contributed to environmental degradation as the combined extractive pressure from formal and informal producers drives deforestation, pollution of critical water ways, and land conversion (Cuba et al. 2014). Perhaps more importantly, such combative natural resource politics have
deepened schisms between state and society in ways that make large-scale conflict more probable.

In parallel to these empirical developments, the international community has continued to debate whether and how high-value natural resources stimulate economic growth and/or social stability. While the academic literature remains steeped in deliberations about the existence and potential impacts of a resource curse (Luong & Weinthal 2010; Ross 2015), scholars, development practitioners, and many state officials in the Global South have increasingly converged around the idea that weak institutions are endogenous to resource-rich states, and causally linked to poor economic growth and social instability (Auty 2004; Karl 1997). More specifically, the academic literature emphasizes that “countries with economies dependent on one or a few primary commodities, particularly high-value resources such as oil and other minerals, are often poor, have weak and less accountable governance systems, and are more vulnerable to violent conflict and economic shocks” (CFA 2005: 161). This approach views sustainable development, in particular, as a function of good governance and institutional design – and has resulted in a pronounced emphasis on transferring strong western-style institutions to resource-rich contexts in order to build institutional capacity in ways that can drive economic growth and mitigate social instability.

The good governance approach to resource-rich states relies on the critical supposition that, by building high-quality inclusive institutions, the state can produce
domestic conditions (or constraints) which supervise the growth of modern liberal
governance (Acemoglu & Robinson 2012; Nem Singh & Bourgouin 2013a). Simply put,
structural changes are hypothesized to foster a contractual environment through which
natural resource politics can be successfully governed (Conca & Wallace 2009; Nem
Singh & Bourgouin 2013a). Specifically, international actors contend that the
introduction of modern laws and policies set predictable rules about resource access and
exploitation; regulatory regimes mediate competition, enhance civic participation, and
resolve grievances that contribute to disputes; and standardized reporting practices
increase information flows between state and society (Le Billon 2012; Lujala et al. 2010).
Scholars in political science and environmental policy have pushed this approach
further to argue that environmental governance reform can not only mitigate instability
but also foster opportunities for consolidating peace within society. In particular, the
emerging literature on environmental peacebuilding contends that building and
reinforcing modern governance institutions creates opportunities for cooperation and
dialogue across society by providing an inclusive and transparent regulatory framework
through which to address natural resource politics.

In effect, then, the theoretical narrative linking natural resource politics and
conflict appears to be out of step with empirical reality. Even as resource-rich states in
the Global South have embraced the West’s good governance agenda and implemented
political reforms, extractive conflict continues unabated, with some scholars postulating
that the current neoliberal approach to environmental governance actually perpetuates problems on the ground. Despite the discontinuity, international and national actors have continued to engage the good governance discourse with the certainty that getting “the institutions right” will eventually provide opportunities to unlock resource wealth and promote stability (Grindle 2004: 531). Typically, international development actors perceive the unevenness of governance reforms as a part of the process of institutional change. Persistent effort on the part of international and domestic actors to address factors such as low governance capacity (Connolly 1996), structural mismatches between global and local culture (Meyer 2010), and a lack of resources aggravated by structural reform (Campbell 2006) are expected ultimately to produce the conditions that facilitate social change. As a result, countries like Ghana and Sierra Leone, the two primary cases analyzed in this dissertation, have entered a condition of perpetual institution building financed by the international community even as they struggle to perceive substantial gains from reform (Campbell 2006). Unresolved or emerging issues remain indicative of poor resource governance that requires exogenously driven institutional change to improve – a never-ending cycle in which the good governance framework “invites – even demands – intervention” (Roberts et al. 2007: 969). In other words, resource-rich states encounter a cyclical logic in which developing states appear to gain no ground: the state remains perpetually vulnerable to natural resource conflict even as it engages
in institutional change theorized to make it strong (Boone 2003; Herbst 2000; Rubin 2002).

1.3 Building Strong Institutions in Ghana and Sierra Leone?

In the Global South, the overwhelming emphasis on good governance has produced a development agenda fixated on building institutional capacity. The international community has advocated for resource-rich states to adopt and implement international standards of best practice in environmental governance in order to promote what Beevers (2011: 17) calls the “marketization” and “securitization” of high-value natural resources. Additionally, transnational actors have promoted the vertical transfer of global regulatory regimes that seek to enhance transparency, civic participation, and accountability in natural resource management. Much of the literature examining the relationship between institutions, natural resource management, and conflict posits that these types of structural reform can ultimately reshape domestic resource politics in ways that enhance connectivity between state and society, and mitigate conflict risk. In particular, research points to three mechanisms by which structural reform mitigates natural resource conflict (Le Billon 2012). First, by consolidating authority for natural resources at the national level, the state

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4 Marketization is defined as “promoting and establishing the conditions that allow the environment and natural resources to generate revenue” (Beevers 2011: 17).

5 Securitization is defined as “establishing and consolidating state control and authority over [natural resources] and instituting good governance measures” (Beevers 2011: 17).
hypothetically limits the ability of non-state actors to control high-value natural resources in ways that could contribute to instability and violence. Second, by institutionalizing modern forms of regulation, the state theoretically provides predictable, transparent, and inclusive pathways through which society can address and resolve natural resource grievances. Finally, by establishing a uniform set of rules by which the natural resource sector should be governed, institutions constrain state conduct while simultaneously providing opportunities for society to monitor and check that conduct.

Vertically-induced institutional transfer has led to the emergence of a relatively robust regulatory state in Ghana and Sierra Leone capable of governing the natural resource sector in line with globally accepted standards. In both cases, the state has adopted and domesticated global blueprints in environmental governance that employ licensing and permitting processes to allocate mineral rights, environmental impact assessments to evaluate the potential costs and benefits of extractive projects, public consultations to enhance civic participation in decision-making processes, and transparency initiatives that increase information flow between state and society. In both cases, substantive legislative, policy, and organizational reforms have created a “legal and fiscal framework” that aims to stimulate a capital-intensive private sector, consolidate state authority for natural resource governance, and mitigate extractive grievances that could contribute to wider social conflict (Campbell 2004: 17). Ghana
began its reform process in the early 1970s and has since witnessed the emergence of some of the strongest and most well-respected regulatory agencies in Africa – the Minerals Agency and Environmental Protection Agency (EPA), in particular. Sierra Leone’s institutional reforms, on the other hand, were modeled directly on the Ghanaian experience and have occurred primarily in the post-conflict period. Despite the recent nature of reforms, Sierra Leone has managed to construct relatively powerful regulatory agencies in the natural resource, and especially minerals, sector. The structural similarities between Ghana and Sierra Leone’s regulatory environments, which also mirror regulatory contexts emerging in other resource-rich states, ultimately provide a useful framework for comparison vis-à-vis environmental peacebuilding.

Contrary to predictions within the academic literature, the emergence of strong regulatory institutions in Ghana and Sierra Leone has not propelled widespread social change in either case. Rather, the regulatory capacity of the state has been largely confined to a narrow segment of society – specifically multinational mining corporations and domestic elites. Beyond these elite producers, the state has failed to project its authority for natural resource management within broader society. Artisanal and small-scale domestic producers, in particular, have struggled to gain access to and participate in formal extractive processes while local communities remain alienated from participatory processes meant to address extractive grievances. Additionally, both Ghana and Sierra Leone have been unable to transform their resource wealth to benefit
broader segments of society – employment, public goods provision, and government presence remain weak outside of large urban areas. Paradoxically, then, institutional reforms have seemingly entrenched – rather than alleviated – structural inequalities in the mineral sector. As a result, non-elite domestic producers have effectively turned away from the state and to local governance suppliers, especially traditional authorities and political patrons, to obtain access to and benefits from mineral resources, and to resolve disputes. This has perpetuated a political terrain in which foreign and domestic elites tend to operate in regulated, state-sanctioned spaces whereas domestic non-elites remain relegated to unregulated, informal spaces. The resulting context is one in which the Governments of Ghana and Sierra Leone are lauded for their strong institutional frameworks even as they can only partially implement their laws and provide limited public services. Such lopsided implementation, enforcement, and irregular benefit distribution has contributed to social instability as different groups find themselves in seemingly open access competition over land and natural resources with each other, the state, and private companies.

Effectively, then, good governance reforms in the resource-rich contexts of Ghana and Sierra Leone have produced strong institutions that function in perpetually weak governance contexts. Amid efforts to enhance the state’s authority and capacity for “good” environmental governance, we have continued to see fragmented authority for natural resources, a polarization of elite and non-elite interests, uneven state
enforcement of regulatory policy, and conflict between diverse actors on the ground. Simply put, the diffusion of global governance models has been an insufficient stimulus to drive anticipated social and environmental change. Within this context, non-elites operating in the informal sector have been labeled a national security threat, a branding which has authorized more extreme forms of violence by the state and multinational companies. As such, deep political divisions have emerged between state and society through which plural authoritative networks have gained a foothold to compete for social influence as well as access to and control of benefit flows. This, in turn, has contributed to chronic, low-intensity conflict, environmental degradation, and the pursuit of elite interests and power at the expense of sustainable resource extraction and livelihood security.

1.4 Institutional Transfer and Social Change

The purpose of this dissertation is to explain why sustained attention to building formal environmental governance capacity in Ghana and Sierra Leone has failed to (re)shape domestic mineral politics in ways that propel widespread social and environmental change. Given everything we know about the need for strong institutions to preempt conflict in resource-rich contexts, it is perplexing that attempts to strengthen formal institutions according to the predominant neoliberal development agenda may have the paradoxical effect of making the state less capable of governing natural resource conflict in society. The enormous efforts of the Governments of Ghana and Sierra Leone...
to construct strong regulatory states to manage natural resource wealth thus raises the following critical question: why have institutional changes widely seen as necessary to prevent social and economic instability in resource-rich states failed to drive social change and promote stability? It also raises a number of ancillary questions: why do resource-rich states continue to implement exogenous models of natural resource governance if anticipated benefits are not forthcoming? Why do international organizations, bilateral donors, and international NGOs continue to pursue a discourse of good governance in resource-rich states despite limited evidence of its efficacy? How does a focus on the state as “primary governance supplier” of natural resource governance impact the emergence of other institutional arrangements to provide solutions to resource-related conflicts? Under what conditions are resource-rich states able to overcome collective action problems to improve social and environmental outcomes in a context where multiple actors possess governance authority?

Simply put, achieving widespread social change requires state agents to utilize the transformative spaces created through the process of structural reform to reshape domestic political relations in ways that generate social consensus around the rules governing natural resources. These are concurrent processes initiated through the renovation of domestic political institutions. The puzzle of strong institutions in weak resource-rich states thus demands an integrative approach that connects global-state and state-society relations; particularly, the ways in which institutional diffusion reshapes
how authority for natural resources is split between state and society. In Chapter 3, to explain the failure of strong institutions to drive social change, I build on a structure/agency approach to institution building that links the vertically-induced transfer of global models to the distribution of authority in domestic resource politics.

Prevailing approaches to institution building in developing contexts have focused primarily on the challenges of institutional transfer – specifically, how to reconcile global governance principles with local institutional dynamics (Dia 1996). Much of the literature in political science and economics has thus focused on theories of convergence to address this issue, which suggest that first-order economic principles can be successfully transferred to developing contexts if they take on forms that complement domestic institutions, and can thus be readily absorbed by them (Rodrik 2008). Where institutional transfer is particularly disruptive, other scholars have suggested that the use of side payments can be used by “government elites to compensate key domestic constituencies that could…threaten the government’s hold on political and social stability” (Weinthal 2002: 10). Indeed, in Ghana and Sierra Leone the state has redirected foreign direct investment from multinational corporations and international development actors in an effort to ameliorate the impact of institutional change on key domestic groups. The approach taken in this dissertation, however, views successful institutional convergence as a function of domestic political agency – in other words, structural reforms should generate novel spaces through which domestic agents can act
to transform domestic political frameworks (Hironaka 2014). While structural reforms have produced a cadre of highly capable regulatory agents, these agents have primarily attempted to reproduce – rather than translate – global governance models within the domestic context. A lack of institutional convergence has produced a political terrain in which structural reforms – viewed by many in society as elite and exclusive – serve to reinforce structural inequalities in the minerals sector that prohibit access to and participation in formal extractive processes, and exacerbate extractive grievances that contribute to chronic conflict.

The inability of domestic regulatory agents to act as institutional interpreters is rooted in the increasingly global nature of statebuilding in the post-Cold War context (Weinthal 2002). Domestic regulatory actors constitute an important component of global policy networks: they serve as a direct linkage between the global and domestic policy spheres through which global governance models can be effectively disseminated across diverse contexts. Embedded within global policy networks and often financed through them, regulatory agents in resource-rich states have effectively become disassociated from domestic political constraints in their attempt to align domestic environmental policy with global standards. Specifically, these agents leverage the expertise forged through connections to the global sphere to define domestic environmental problems and solutions, place them on the policy agenda, mobilize discrete actors across multiple scales to take action, and facilitate monitoring and
implementation (Slaughter 2005). Shielded from domestic constraints, regulatory actors have found themselves in a position to effect major change without the need for substantial bargaining with domestic constituencies. In other words, domestic regulatory agents view their role as setting the terms by which domestic resource politics are navigated. In Ghana and Sierra Leone, as in other resource-rich states, this disconnect is increasingly reflected in the perception among regulatory actors that the failure of domestic producers to comply with formal regulations reflects a choice to avoid or evade state authority, rather than a necessity borne out of contextual constraints (Hilson 2013; Sepulveda & Syrett 2007). As a result, institutional reforms have come to serve more as a barrier rather than a pathway to inclusive natural resource governance in that they tend to benefit elite producers with compliance capabilities – specifically multinational corporations and foreign and domestic elites – while excluding domestic non-elite producers.

The exclusive nature of the regulatory state coupled with inflexible formal institutions that remain primarily accountable to the international community and societal elites compels non-elite domestic producers to seek resource access and grievance redress from alternate governance networks – particularly traditional authorities and political patrons. As such, formal regulation has further fragmented authority over resource governance across society. The state remains only one of several options for obtaining legitimate access to mineral resources, meaning that multiple and
conflicting sets of “rules-in-use” govern extraction. Ultimately, such institutional plurality undercuts governance gains achieved through formal sector reform, and the interaction between formal and informal sectors contributes to conflict and environmental degradation. This perpetuates what I term a “hollow state” in which the state efforts are continually eroded by informal bottom-up processes.

The political terrain that has emerged from structural reform in Ghana and Sierra Leone creates a dilemma for the political state (i.e., elected state officials). On the one hand, the political state must engage in political reform in order to maintain international support (especially financial support) and legitimacy, and create an investment environment suitable to attract foreign direct investment; on the other hand, structural reforms destabilize domestic constituencies that the state must accommodate to maintain political and social stability. In both cases, the state has been unable to redistribute enough revenue generated from foreign investment to adequately compensate key domestic constituencies hardest hit by reform, particularly those groups that have turned to the informal mineral economy to access resources. As such, the political state finds itself caught between satisfying its global and domestic interests – it must enforce its authority for natural resource governance in order to maintain external sources of investment but it cannot enforce so stringently that it risks alienating powerful domestic actors. The political state thus employs a strategy of selective enforcement in the minerals sector to compensate domestic actors for the costs of
institutional reform: it enforces its authority in contexts which are of interest to the state but leaves competing networks to govern those areas that are not considered a strategic priority. In this way, the political state avoids the need to bargain with competing governance networks over the distributional costs of reform.

The central paradox here is that the political state effectively assists competing informal governance networks in undermining institutional capacity – negating the potentially positive impacts of environmental governance reform. Alternative networks of authority in society – especially customary institutions and political patrons – have thus maintained substantial governance power across local contexts, meaning that institutional reforms in Ghana and Sierra Leone have effectively strengthened environmental governance structures without disturbing underlying political dynamics. In this way, structural reforms have served to reinforce domestic conditions that contribute to chronic competition and social conflict. While this political context generates local conflict and substantial environmental degradation as competing networks contend for mineral access and benefits, it ultimately avoids larger political upheaval that could contribute to more substantial social conflict. In other words, the political state achieves short-term stability but at the cost of long-term social and environmental sustainability. Thus, in addition to analyzing the relationship between environmental governance and social conflict, this dissertation investigates whether a focus on stability ultimately undermines human security in that it incentivizes resource-
rich states to engage in conduct that perpetuates environmental degradation in order to maintain wider social stability.

1.5 State-Society Relations in the Era of Good Governance

A central tenet of this research is that good governance reforms in Ghana and Sierra Leone exacerbate extractive conflict by fostering domestic conditions that perpetuate resource competition, political accommodation, and environmental degradation. Much of the current literature examining informality in the Global South, and the problems arising from it, characterize the informal economy as an issue of problem mischaracterization or a lack of state capacity – that is, policy actors across governance scales have failed to acknowledge artisanal and small-scale mining as a mainstay of rural economies in sub-Saharan Africa and thus have not supplied appropriate or effective public policies to support its regularization into the formal economy (Hilson & Gatsinzi 2014; Hilson & McQuilken 2014). These conclusions, emerging primarily from geography and critical geography, reflect a substantive amount of empirical fieldwork – especially in Ghana – and have become a critical avenue for helping the state adjust its policy decisions on the ground. Hilson and Gatsinzi (2014: 5), introducing a special issue on small-scale mining in sub-Saharan Africa, emphasize three broad recommendations to address the informal economy in particular: “(1) for governments to craft more appropriate regulations and policies for the [small-scale] sector, with the aim of encouraging formalization; (2) for environmental
problems to then be tackled more proactively; and (3) for all parties – policymakers, donors and NGOs – to be more responsive to the needs of [small-scale] operators.” Such recommendations, which reflect research exploring the informal economy more broadly, are “informed by a belief that should these legal-regulatory imperfections be corrected, informal economic agents will ‘choose to go formal’” (Sepulveda & Syrett 2007: 91).

While empirically grounded, these policy recommendations tend to miss larger global-state-society dynamics that make institutional change difficult to achieve. In particular, scholars and practitioners continue to underemphasize the way in which the distribution of power and authority in society mediates institutional reform and shapes regulatory outcomes. Additionally, conventional approaches also fail to acknowledge the way in which neoliberal policy approaches – which place the state at the center of environmental governance – build on historically divisive development patterns that perpetuate urban-rural divides (Mamdani 1996). Simply put, conventional approaches continue to be largely devoid of the politics of natural resource management in resource-rich contexts. Thus, in order to reincorporate politics into narratives linking environment and conflict, this dissertation directs its attention toward integrating institutional theory with substantial empirical fieldwork in Ghana and Sierra Leone. By emphasizing the ways in which the transfer of global governance models reshapes state-society relations, this dissertation contributes to middle-range theory building in environmental politics, which will in turn contribute to a better understanding of institution building in
resource-rich states, as well as the ways in which institutional transfer is likely contribute or not to conflict mitigation.

The task of this dissertation, then, is to explore cross-disciplinary debates examining the relationship between natural resources, conflict, and institution building in order to test the underlying tenets of environmental peacebuilding theory. This requires paying attention to the ways in which the good governance discourse – via institutional diffusion – reshapes domestic mineral politics in resource-rich contexts, but also how the state responds to emerging political dynamics. Ghana and Sierra Leone are particularly good cases to explore these dynamics on two accounts. First, most research examining environmental peacebuilding has focused on single case studies of conflict-affected contexts or comparisons of two post-conflict countries (Beever 2015; Matthew et al. 2010a; UNEP 2007). The approach taken here, however, compares a post-conflict country with a country that has not experienced large-scale civil conflict in the post-colonial era. Yet both cases constitute examples of resource-rich states, which depend particularly on mineral resources, that have consciously adopted and implemented global environmental governance models in order to spur economic growth and mitigate the risk of natural resource conflict. Further, Sierra Leone modeled its post-conflict institutions on Ghanaian blueprints – going so far as to conduct a capacity building study tour of Ghana’s regulatory agencies. Comparing an emerging post-conflict country to a well-institutionalized non-conflict country provides analytical
leverage to examine the effect of institution building on social stability. In particular, we would expect Ghana to constitute an excellent test case for environmental peacebuilding given that governance reform has built upon a foundation of well-defined institutions within a relatively stable democracy. Sierra Leone, on the other hand, would be expected to pose a challenge for environmental peacebuilding given the extent to which natural resources contributed to the onset and duration of civil conflict. What we find, somewhat paradoxically, is that Ghana and Sierra Leone do not differ substantially in terms of environmental peacebuilding outcomes – a finding which reinforces the foundational puzzle of this dissertation.

Second, the type of mineral primarily analyzed in this dissertation – gold – is typically not considered “high-value” enough in the academic or policy world to generate substantial conflict. Scholarly work in political geography posits that specific types of natural resources, particularly high-value minerals like diamonds, are more likely to drive conflict, while more recent work in political science has refined this assertion to suggest that only oil possesses properties that can stoke large-scale conflict (Le Billon 2012; Ross 2012). As such, the conventional literature would not expect the politics of gold mining to present much of a risk for civil conflict in either case. This dissertation, however, asserts that resource value is context-dependent in that producers across diverse local contexts attach value to natural resources that may not be easily captured in resource-conflict assessments without detailed empirical work. With this in
mind, I suggest that “medium-value” natural resources may contribute to domestic conflict through pathways similar to those more traditional high-value natural resources. While a medium-value resource like gold may not generate the scale of revenue that propels elite extraction in the form of rent-seeking or rent-seizing, it can act to drive grievances at the local level that may ultimately be just as destabilizing to society. In fact, this research demonstrates that political reforms to manage resource extraction – primarily of gold and other medium-value resources – have produced a political terrain at greater risk of experiencing substantial natural resource conflict. This threat is likely to become multiplied as other environmental challenges – climate change, in particular – amplify the effects of resource competition and environmental degradation.

Ultimately, environmental peacebuilding rests on the core assumption that institutional reform can fundamentally restructure state-society dynamics by creating opportunities for dialogue, cooperation, and shared meaning around natural resource management (Conca & Dabelko 2002). However, this dissertation argues that the diffusion and implementation of environmental governance blueprints across diverse contexts can serve to exacerbate extractive conflict in resource-rich states by constraining institutional responses to domestic political dynamics, especially with regard to resolving conflict around natural resource access, benefit distribution, and ownership. By highlighting the ways that institutional transfer can reinforce existing power
structures that perpetuate structural inequality, this dissertation contributes to the broader theoretical literature examining institution building as a driver of social change. In particular, by tracing how the diffusion of global governance models influences state-society dynamics, this analytical work attempts to define the possibilities and limits of environmental peacebuilding.

1.6 The Plan of the Dissertation

This dissertation thus explores the politics of natural resource conflict – turning to incidents like that which occurred in Ghana’s forest reserve – to demonstrate how global governance models have increased state-society conflicts at the local level. Enforcing law and order in the forest reserve in Ghana – which is the recognized domain of the state and in which the state encounters no alternative governance suppliers – becomes a logical consequence of fragmented governance authority. Equally logical is the decision not to enforce law and order in the neighboring community, which borders the forest reserve but in which traditional authorities have authorized informal mining activities. The displacement of indigenous miners to forest reserves can be viewed as a consequence of an exclusive regulatory regime that has precluded most domestic small-scale producers from obtaining mining permits despite their participation in the mining sector for over a century (Hilson 2002a). Finally, we see that these policies have reproduced specific patterns of social and political control “rather than producing meaningful environmental protection” (Weinthal 2002: 11).
As this dissertation is about good governance and extractive conflict, chapter 2 begins by reviewing the emergence of the good governance discourse and its entanglement with theories of natural resource conflict. In short, the good governance narrative provides the discursive framework through which many natural resource policies have been disseminated to the Global South. Chapter 3 presents a theoretical argument as to why vertically-induced institutional transfer has generated – rather than alleviated – extractive conflict in Ghana and Sierra Leone. The argument integrates structure- and agency-oriented theories of institutional transfer to better explain impediments to social change in Ghana and Sierra Leone. Specifically, I explore why the vertical diffusion of global governance models has produced relatively strong regulatory institutions, as well as agents empowered to implement and expand those institutional structures on the ground, without simultaneously transforming underlying relations of power and authority within society.

As such, in chapters 4 and 5 I trace the emergence of the regulatory state in Ghana and Sierra Leone. In chapter 4, I examine why the regulatory states that emerged in Ghana and Sierra Leone took on specific structural characteristics, as well as the reasons driving institutional change and the ways in which reform impacted broader resource politics in each case. The goal of this chapter is to demonstrate the globalized nature of statebuilding and how this has oriented natural resource management in Ghana and Sierra Leone around particular standards of best practice. Chapter 5 then
depicts why regulatory changes have continued to be perceived by domestic producers in both cases as exclusive and biased toward international interests. In order to provide empirical evidence for my argument, I focus explicitly on the ways in which mineral licensing and environmental assessments have served to preclude non-elite access to and participation in formal extractive processes. This chapter demonstrates that the internationalization of natural resource governance in Ghana and Sierra Leone has effectively shielded regulatory agents from domestic political constraints. To produce these chapters, I conducted approximately 197 interviews at both the national, regional, and local level in Ghana and Sierra Leone between 2014 and 2016, attended meetings and forums, and reviewed numerous policy documents. This broad and primarily qualitative approach was necessary to evaluate claims about the reasons for institutional reform, as well as its impact and effectiveness within the domestic context.

Chapter 6 builds on this analysis to explore institutional reforms from the perspective of rural communities. The goal of this chapter is to identify those actors with authority for resource management at the local level, the ways in which they govern, and how these dynamics influence resource conflict. I implemented 310 household surveys across 12 communities in 10 districts in the Western and Brong-Ahafo Regions of Ghana to obtain data. In addition to household surveys, I relied heavily on informal interviews, on-site investigations, and participant observation to gauge local governance perceptions and discern the local-level effects of institutional reform. Chapter 7
concludes with an examination of the implications of institutional reform in resource-rich states for social stability and environmental protection.
2. Good Governance and Resource-Rich States in the Global South

Two discourses in the post-Cold War context – good governance and resource curse – were highly influential in shaping international development approaches to resource-rich developing countries like Ghana and Sierra Leone. In order to conceptually frame the present day institutional context and associated governance challenges in both contexts, this chapter engages with scholarly literature examining the emergence of these phenomena at the end of the Cold War. Paris (2004: 34) argues that after the collapse of the Soviet Union, there was growing acceptance among the global community that the “American vision” of liberal governance had prevailed. International organizations (IOs) and bilateral development agencies, in particular, linked governance reform to economic competitiveness and success, and used lending practices and aid distribution as a mechanism to facilitate the diffusion of neoliberal norms and practices to domestic contexts (McNutt & Pal 2011). These practices effectively internationalized liberal ideas of government (Duffield 2001; Paris 2004), and the “good governance” discourse came to serve as a framework to structure approaches to both development and conflict prevention/mitigation in the Global South (Doornbos 2003; Williams 2008). Campbell (2003: 106) argues that the three decades of change that followed the initial appearance of good governance reforms “entailed a redefinition of the role of the state that is so profound that it has no historical precedent.”
The rise of resource curse theory in the mid-1990s, which posited a significant positive correlation between natural resource wealth and political and economic instability, reinforced the good governance discourse by underscoring the perceived need for governance reform in relation to wealth generating primary commodities (Auty 1994; Collier & Hoeffler 2004; Sachs & Warner 2001). Academics and practitioners alike warned that states with abundant natural resource wealth required modern “high-quality institutions” to provide a stable and predictable investment environment, manage the influx of resource revenues for economic growth, and resolve disputes around natural resource access and use, as well as revenue distribution, to prevent instability (Nem Singh & Bourgouin 2013a: 7). In particular, these actors argued that the construction of Western liberal-capitalist governance frameworks would provide the necessary conditions for promoting a vibrant private sector capable of driving growth and development. With the support of international development actors like the World Bank and the United Nations, states with abundant resource wealth thus implemented governance reforms that aimed to consolidate authority for natural resource management within the state under the guiding assumption that a strong, neutral state buttressed by modern institutions could manage resource wealth so as to promote economic development and political stability (Hardin 1968; Hodgson 2006).

The entanglement of these two bodies of theory resulted in the emergence of a new analytical typology – the resource-rich state. Resource-rich states are theorized to
share universal political and economic pathologies related to abundant (often high-value) natural resources that require common, globally derived solutions. Policy prescriptions for resource-rich states draw extensively from the good governance agenda, and have been widely accepted as appropriate solutions for resource curse ailments within global policy networks (including IOs, bilateral development agencies, international NGOs, and transnational advocacy networks). The perceived universal nature of pathologies of and responses to resource-rich states has facilitated the diffusion of “best practice” institutions across numerous domestic contexts, resulting in increased isomorphism in governance practices, conventions, models, rules, and tools (Barnett & Finnemore 2004; DiMaggio & Powell 1983; Frank et al. 2000).

This chapter provides a theoretical foundation for understanding the emergence of the resource-rich state and the consequences of its policy prescriptions in three sections. The first section examines the intersection of the good governance discourse and resource curse theory. These theoretical frames were highly influential in global policy arenas in the 1990s and reinforced a particular vision of both the challenges to development and potential solutions in the Global South. The second section argues that the entanglement of these two theoretical discourses led to the emergence of the resource-rich state, a development category that authorizes specific interventions to

\([1]\) The term appropriate here refers to ideas in Sociological Institutionalism of a “logic of appropriateness” (March & Olsen 1996).
manage resource access, exploitation, and wealth distribution in developing contexts in order to mitigate conflict vulnerability. The third section highlights debate in the literature about the extent to which these governance strategies facilitate real change in resource-rich contexts. The state-society literature in Africa, in particular, invokes theories of institutional change to explain the uneven impacts of good governance reforms on development. Many of these debates revolve around how and why institutional change occurs in African society, and the ramifications of reform for state-society relations. Overall, the good governance discourse has increasingly attracted criticism in academic research that argues neoliberal reform has rarely improved governance outcomes, often expanded informal market activity, and disproportionately hurt economically marginalized groups in the Global South (Campbell 2006; Reno 1995). These arguments provide a critical foundation for the theoretical model introduced in Chapter 3.

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2 I define institution as an established set of social rules or norms that structure social relations (Hodgson 2006; Knight 1992). I define institutional change as the mechanism by which actors attempt to either modify existing rule/norm sets or provide new ones in order to reorder social relations. Within the good governance context, development actors typically pursue institutional reform in order to reorganize society around neoliberal ideas of governance. To achieve this shift in social values, international actors – in cooperation with domestic actors – modify strategies, norms, rules, and structures in order to provide conditions that foster the emergence of neoliberal forms of governance [I follow the terminology proposed by Crawford and Ostrom (1995) to define these terms]. Underlying this strategy is a Northian concept of institutional change: modifying social constraints can reorder social relations by changing the incentive structures (especially transaction costs) within which individuals operate (North 1990). My research critiques this approach to institutional change in the Global South because it tends to overlook the way in which existing relations of power mediate institutional reform in order to maintain existing distributions of social benefits (Knight 1992).

3 Structural readjustment did prevent major economic collapse in some African states (Herbst 1993). However, the scholarly literature debates the extent to which such economic recovery benefited society as a
2.1 Understanding Instability in the Global South

2.1.1 The Good Governance Agenda: From Liberalization to Statebuilding

The market constitutes a site of veridiction...a site of verification-falsification for governmental practice. Consequently, the market determines that good government is no longer simply government that functions according to justice. The market now means that to be good government, government has to function according to truth. (Foucault 2008: 32).

In his remarks on political economy, Foucault (2008) underscores the grounding philosophy guiding mainstream liberal approaches to governance reform in the 1980s and 1990s, which saw free markets as a fundamental truth of prosperous and stable societies, and government as a horizon of improvement pivotal to maintaining a smooth running market system (Li 2007a). The international community pursued market liberalization in the Global South in two major reform phases. In the first, before the collapse of the Soviet Union, international development in the Global South focused extensively on economic development and democratization (McNutt & Pal 2011). The major international financial institutions aimed to improve the growth potential of developing economies by constraining state power, promoting the private sector, and unlocking the potential of the free market. Mamdani (1996: 13) notes that market theories “were championed by the IMF theorists who claimed that the rationality of whole, and whether structural adjustment programs (SAPs) did more to help or hurt African societies (Bayart 2009; Dia 1996; Hilson 2004).
ground-level markets was being simultaneously suppressed and distorted by clientele-ridden but all-powerful states.” Market reforms, underpinned by the tenets of neoclassical theory and the Washington Consensus, were seen as critical not only for rectifying the dismal state of many developing economies but also for promoting international political stability – a benefit thought to accompany the spread of liberal democracy (Farber & Gowa 1995; Paris 2004). The World Bank and/or IMF led 162 structural adjustment programs in 35 countries in Sub-Saharan Africa and 126 programs throughout the rest of the world during the 1980s and 1990s (Campbell 2003). The primary aim of these programs was to increase foreign direct investment (FDI) by improving the investment environment through tax reforms, trade and interest rate liberalization, currency devaluations, increased fiscal discipline, privatization, and deregulation (Le Billon 2012; Rodrik 2008). Governments and aid donors both saw foreign investment in the extractive sector – mining in particular – as a panacea for economic revitalization in developing contexts. Campbell (2003: 6) notes that for Sub-Saharan Africa the “primary focus for the governments of African countries was seen to rest on how to take into consideration a precise set of concerns aimed at attracting investment and reducing investment risk for private mining companies.”

By the end of the 1980s, the World Bank and IMF began incorporating political reforms in conjunction with economic adjustment programs (McNutt & Pal 2011; Paris 2004). Campbell (2003: 5) argues that this shift in focus occurred as a result of
“disappointing overall results of the adjustment process in Africa” while McNutt and Pal (2011: 442) suggest that difficulties in post-Soviet transition states helped international actors to realize that “markets embedded in corrupt or dysfunctional states would themselves become corrupt and dysfunctional.” Additionally, scholars and activists began to publicly critique IOs on the destabilizing effects that tended to accompany structural adjustment. Research attributed a number of adverse outcomes to structural adjustment programs including a surge in informal markets and transboundary activity (Duffield 2001; Hilson 2013; Reno 1995), declining state capacity (Campbell 2006), an increase in social inequality (Logie & Woodroffe 1993), and an enhanced risk of domestic conflict (Hartzell et al. 2010; Woodroffe & Ellis-Jones 2000). These considerations increased the perceived importance of political reform and the need for strong institutions that could buffer the potential volatility of economic reforms. In his analysis on structural adjustment in Ghana, for example, Herbst (1993: 3) underscored the “widespread agreement” among international development actors “that fundamental reform of institutions is necessary for sustained patterns of long-term growth.” This change in focus ushered in an era of political conditionalities linked to international loans and development aid (Doornbos 2003). Duffield (2001: 30) contends: “development aid was increasingly tied not only to progress with economic liberalization but to the creation and support of democratic and pluralistic institutions as well.”
The recognition extended to governance issues in the late 1980s was an extraordinary move for the World Bank, which historically had limited scope to interfere in the political affairs of a sovereign state and primarily based its lending decisions on economic considerations (Williams & Young 1994). From 1990 onward the World Bank increasingly linked its lending practices to good governance requirements in recipient states, and in 1996 the Bank reversed its longstanding policy not to explicitly address political issues (especially corruption) in development contexts (Arndt & Oman 2006; Paris 2004). Despite advocating for good governance in borrowing states, however, the exact meaning of both “good” and “governance” remained a point of contention between international financial institutions and bilateral aid agencies on one side and recipient states on the other. Roberts et al. (2007: 967) suggest that good governance “signals ‘presences’ – of the rule of law, of stability, of financial transparency, accountable state officials, of human rights, of a free media” whereas bad governance “signals practices such as corruption, manipulation of the media, disrespect for human rights, arbitrary application of the rule of law, actual or potential political instability and the like, most often defined as ‘lacks’ – lack of accountability, lack of transparency, and so on.” Doornbos (2003: 5) similarly asserts that the idea of governance has become a “flexible carrier” for a multitude of normative prescriptions because the term is used to “convey varying combinations of messages or consignments.” What is clearly understood is that the good governance discourse opened internal government practices
within developing economies, primarily in the Global South, to judgment and interpretation by actors external to the state – often from the Global North (Duffield 2001). In addition, new governance priorities were often defined by powerful IOs and bilateral aid agencies that controlled financial flows, and recipient states increasingly found themselves subject to the prevailing whims of development trends.

2.1.2 Institutions as a Buffer to Liberalization

The Bank’s turn to the political aspects of economic reform was firmly reinforced by emerging linkages between weak and declining state capacity, ongoing (under)development, and new forms of violent conflict in the post-Cold War era. Global attention throughout the 1990s shifted from examining the root causes of poor economic growth to identifying the drivers of what Kaldor (2012) termed “new wars.”4 Within the new war context, scholars and practitioners aimed to understand the factors contributing to intrastate, low-intensity conflicts that surfaced throughout the Balkans, Asia, and Africa. Violent conflict thus carved out a central position within international policy networks: development activities became critical not only for mitigating economic stagnation but also for conflict prevention, peacebuilding, and maintaining global stability (Duffield 2001). Duffield (2001: 11) stresses that advocates of this emerging development-security discourse, which included but was not limited to IOs, bilateral aid

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4 Kaldor (2012:2) argues that new wars “involve a blurring of the distinctions between war, organized crime, and large-scale violations of human rights.” New wars involve low-intensity conflict and “arise in the context of the erosion of the autonomy of the state” (Kaldor 2012:5).
agencies, northern governments, and NGOs, pursued a “liberal peace” that harnessed the “ameliorative and harmonizing powers” of liberal governance systems to “transform the dysfunctional and war-affected societies...into cooperative, representative, and especially, stable entities.” The Commission for Africa (CFA) (2005: 39) echoed this sentiment in its 2005 report when it argued: “investing in development is investing in peace.”

One important consequence of this new development-security nexus was an increasing preoccupation with institutions, institutional capacity, and institution building in underdeveloped states. Fukuyama (2004: 21) observed, for example, that the mantra of international development actors “since at least 1997 has been the dictum that ‘institutions matter.’” Paris (2004: 8) popularized the concept of “institutionalization before liberalization” in academic and policy circles through his research on post-conflict peacebuilding, which argued that a rapid transition to liberal democracy in the absence of effective institutions could hinder processes of peacebuilding and peace consolidation. This argument confirmed a growing consensus in the scholarly research that the transition to a market-based democracy could be destabilizing and debilitating – for all ‘underdeveloped states’ but especially for fragile states emerging from conflict – and that strong (but limited) state institutions were necessary to buffer the straining effects of liberalization. This idea could be applied to all developing contexts – regardless of conflict status – in order to mitigate conflict potential. Within this
framework, the focus within global development networks turned to “state building” –
defined as the “creation of new government institutions and the strengthening of
existing ones” (Fukuyama 2004: ix). Although the term statebuilding is often understood
in the context of post-conflict reconstruction, international development actors applied
statebuilding approaches (mostly through institutional transfer) across the Global South
“to establish a predictable and honest administration of the regulatory framework, to
assure law and order, and to foster a stable, objective, and transparent judicial system”
(WB 1989: 55). Indeed, the construction or fortification of “good institutions” within
developing states has become a foundational principle of the current development
agenda.

The approach to statebuilding within international development was based
fundamentally on modern liberal theory, which required a “neutral framework [i.e., the
State] within which competing conceptions of the good can be equally pursued” and a
‘civil society’ “characterized as a realm of freedom in which individuals engage in
formally uncoerced transactions” (Williams & Young 1994: 93). This liberal model of the
ideal state reflected the perceived need for a strong Weberian-like state with a legitimate
monopoly on violence and the bureaucratic capacity to enforce the rule of law, but also
with limits to illegitimate use of power so as to protect vulnerable populations (North et
al. 2009). The international development community set about constructing these
dynamics by actively transferring institutions that could restructure domestic political
constraints to promote a strong, transparent, decentralized, and technically-oriented state capable of supporting both a dynamic private sector and a responsive civil society (Doornbos 2003; WB 1989). Interventions focused explicitly on improving state capacity and administration by working directly with ministries and agencies to reform government policy and procedure, disseminating global governance norms through legislative remodeling, and supporting the development of civil society actors through financial transfers and capacity support. A major assumption guiding these interventions was that by introducing institutional reforms to domestic government frameworks, international development actors could help thicken state-society “connectivity” and promote accountability. An overriding concern surrounding governance in the Global South was that “states with high levels of corruption and low levels of accountability seem particularly prone to violence” (CFA 2005: 39). Luong and Weinthal (2010: 2) similarly remarked that “leaders in developing countries operate under very few, if any, domestic constraints” – a symptom of underdevelopment which the international community saw as threatening to long-term economic growth and political stability.

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5 While international lending practices and aid conditionalities helped drive the diffusion process, the establishment of governance networks linking North and South helped to discipline and/or socialize states to want these institutional innovations. Finnemore (1996) argues, specifically, that domestic interests can be learned as taught preferences. A number of scholars argue that this project of interventionism and the associated governance networks linking North and South have aimed at establishing new patterns of institutional hegemony that work to reassert the authority of the Global North (Doornbos 2003; Duffield 2001).
Through these efforts, international development actors embarked on a project to construct highly stylized relationships between state and society that split political power in specific ways. International actors believed that implementing good governance objectives would improve growth and development, and mitigate the risk of violent conflict in developing contexts by authorizing both state and society to engage each other with a defined system of checks and balances. An important point to highlight is that the reforms undertaken by international development actors were largely structural in nature. Interventions tended to target the mechanisms of government – law, policy, procedures – in order to reorder domestic political relations. This approach assumed that transferring specific structural constraints would produce state-society relationships that functioned in predictable ways.

2.1.3 Natural Resources as a Source of Instability

Natural resource governance emerged as a critical issue within the development-security nexus in the 1990s as natural resources themselves were identified as a contributing factor to the perpetuation of new wars. Empirical evidence in the scholarly literature increasingly pointed to linkages between natural resources, economic (under)development, and civil conflict (Collier & Hoeffler 2004; Ross 2003; Ross 2004b). Furthermore, Le Billon (2012) argued that since the end of the Cold War, natural

6 Defined by Howlett et al. (2014) as “the ability to make legitimate, authoritative decisions allocating societal resources.”
resources had served as a major source of revenue that helped to finance war and other forms of violence in developing countries. Once seen as a driver of economic growth, natural resources were increasingly considered a source of political and social instability that required specific governance strategies to address. Calls for greater attention to the way in which natural resources were managed in emerging economies dovetailed with the good governance agenda. Matthew et al. (2009: 11) concluded, for example, that “conflict over natural resources and the environment is largely the reflection of a failure of governance, or a lack of capacity” which underscored “the need for more effective investment in environmental and natural resource governance.” Auty (2004: 37) similarly emphasized this linkage by arguing that the fix to poor revenue management by predatory states dependent on resource wealth was “not only structural adjustment, but to restructure governance.”

In the scholarly literature, early approaches to understanding natural resources as a source of instability attempted to link conflict to either natural resource scarcity or abundance (Beevers 2011). Scarcity arguments emphasized competition over limited renewable resources (i.e., forests, fish, or land) as a pathway to violent conflict (Homer-Dixon & Blitt 1998). Abundance arguments, on the other hand, underlined the relationship between resource wealth – often high-value extractive resources – and economic, social, or political instability (Auty 1993; Ross 2015). By far, the bulk of scholarly attention has been directed at better understanding the relationship between
resource abundance and conflict vulnerability. Over the past two decades, an explosion of case studies and statistical research increasingly supports the argument that a positive significant correlation exists between abundant high-value natural resources and violent conflict (Collier & Hoeffler 2004; Lujala & Rustad 2012; Ross 1999). This argument has been explored by a number of cross-sectional country regression analyses (Alexeev & Conrad 2009; Collier & Hoeffler 2004; Fearon 2005; Fearon & Laitin 2003; Ross 2012; Wick & Bulte 2009) and numerous qualitative studies attempting to isolate causal linkages to explain the correlation (Dunning 2008; Dunning & Wirpsa 2004; Le Billon 2001; Ross 2004a; Watts 2004a). While the specific mechanisms driving this positive correlation remain a source of debate in the academic literature (Ross 2015), the premise that resource abundance contributes to economic and political insecurity has been widely accepted within international, regional, and state-level policy networks. The CFA (2005: 40), for example, argues that in Africa “oil, diamonds, timber and other high-value commodities all fuel Africa’s conflicts.”

Within the copious literature examining the adverse effects of resource wealth, a number of scholars have attempted to explicitly trace causal mechanisms linking natural

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7 Similar scholarly attention has focused on economic explanations for this relationship. The literature discusses four primary mechanisms: a decline in the terms of trade for primary commodities, the instability of international commodity markets, the enclave nature of resource sectors, and the Dutch Disease (Nem Singh & Bourguin 2013b; Ross 1999). Given the present focus on political and social instability, however, the bulk of this review focuses exclusively on political factors [see Ross (1999) for the distinction between economic and political explanations for the resource curse].
resource abundance and violent conflict – civil war specifically (Collier & Hoeffler 2004; Collier et al. 2009; Fearon & Laitin 2003; Humphreys 2005; Ross 2004a). These mechanisms are worth exploring in some detail because they have been critical in shaping how international development actors and governments in resource abundant states approach resource reform (Beevers 2011). Le Billon (2012: 17) and Lujala and Rustad (2012: 7) helpfully divide the numerous mechanisms identified within existing research into three dominant categories: resource capture/opportunity, institutional weakening, and resource-related grievances. I focus more explicitly on the latter mechanisms because they have directly influenced statebuilding strategies in resource abundant states whereas the first mechanism has had a relatively greater impact on international-level strategies to curb resource related conflict.

The first category suggests the risk of conflict increases when opportunities for resource capture motivate or finance belligerent movements or actors (Lujala & Rustad 2012). The rebel greed hypothesis – first postulated in an influential piece by Collier and Hoeffler (2004) – has received substantial attention within the academy, policy networks, and advocacy coalitions (Beevers 2011; GlobalWitness 2002). While this work attracted considerable debate within the scholarly literature (Fearon 2005; Fearon & Laitin 2003; Humphreys 2005; Ross 2004b), it ultimately popularized the concept of “conflict resources” and motivated a number of international efforts to curb the potential for
natural resources like diamonds or timber to fuel civil conflict.\(^8\) International development actors – the UN in particular – have employed sanctions, certification schemes, and tracking systems to mitigate the financing potential of natural resources (Le Billon & Levin 2009).

In the second category – the resource curse or institutional weakening effect – resource dependence is theorized to weaken state governance capacity and societal organization (Le Billon 2012).\(^9\) The argument behind the institutional weakening effect is that resource rents provide a source of revenue independent of domestic taxation, attenuating mechanisms of accountability and reducing incentives to build strong institutions (Luong & Weinthal 2010; Nem Singh & Bourgouin 2013b; Ross 2004a). In particular, resource dependence is hypothesized to lead to a predatory state characterized by authoritarianism and/or rent-seeking, which precludes the possibility that political elites will distribute resource wealth to benefit society at large (Dunning 2008; Ross 2003).\(^10\) Within this context, maintaining existing institutions or building new ones becomes more difficult as political elites attempt to create opportunities for rent-

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\(^8\) Conflict resources have been defined as “natural resources whose control, exploitation, trade, taxation or protection contribute to, or benefit from the context of, armed conflict” (Le Billon 2003, 216). A more detailed exploration of conflict resources and the rebel greed hypothesis can be found in the literature (Beever 2015; Collier & Hoeffler 2004; Collier et al. 2009; Le Billon 2008). For arguments against the rebel greed hypothesis in contexts like Sierra Leone, see (Richards 1996; Richards 2001).

\(^9\) Dunning (2008) argues that there is an important distinction to be made between resource abundance and resource dependence. Within Dunning’s model, authoritarian government is more likely in states that are resource abundant and resource dependent.

\(^10\) But see Nem Singh and Bourgouin (2013b: 31), who argue that this relationship ignores the political bargaining inherent in distribution, and assumes that state leaders always have predatory rather than developmental aims.
seeking rather than engage in investment or entrepreneurism (Ross 2003). Studies have examined how elites may dismantle existing institutions to better control resource distribution (Ross 2001), fail to build strong institutions in the absence of public demands for representation (Karl 1997), or channel revenues through informal institutional pathways that enhance political power but impede growth (Reno 1995).11 As a result, the literature on institutional weakening emphasizes that resource dependent states tend to lack strong state-society bonds and thus the political processes that help build trust, representation, and accountability (Nem Singh & Bourgouin 2013b). The net effect is that these states are more vulnerable to political and social instability because they lack the governance capacity to manage conflict risk (Le Billon 2008, 2012). Beever’s (2011: 69) adds that resource dependent states may also use resource wealth to “quell dissent” to poor governance practices either by dispensing patronage through specific networks to generate or maintain political loyalties or employing force against domestic populations. Ultimately, the institutional weakness mechanism hypothesizes that resource dependent states will struggle to provide an adequate institutional context for growth and stability, suggesting that external intervention – in the vein of good governance – is necessary to enable these states to harness the development potential of their resource wealth.

11 Luong and Weinthal (2010) complicate this argument by suggesting that ownership structure can mediate institution building by resource dependent states.
In the third effect, resource wealth generates conflict through grievances, which can be created by unmet expectations, inequalities in the distribution of revenues, jobs, or other benefits, increased vulnerability to economic instability, or by the negative externalities of resource exploitation (Humphreys 2005; Lujala & Rustad 2012). Le Billon (2012) stresses that these conflicts tend to involve unrest over slow or erratic economic growth and/or disputes over resource access, use, or distribution – in short, resource conflicts. This particular mechanism has found less empirical support in the literature (Collier & Hoeffler 2004; Ross 2004a); however, a number of scholars argue that this is because of a disciplinary effect that can be attributed to the methodological approaches employed within certain quantitative fields (Le Billon 2012; Peluso & Watts 2001). Econometric approaches, in particular, tend to narrow definitions of violence and conflict, find it difficult to define and measure grievances, and prioritize economic (i.e., greed) rather than political dynamics of resource control (Le Billon 2008; Peluso & Watts 2001; Ron 2005). More qualitatively oriented studies, on the other hand, argue that grievances around natural resource exploitation – especially over land expropriation, environmental degradation, and inequity in resource access and wealth distribution – can significantly increase the risk and/or probability of social instability (Richards 1996; Unruh & Williams 2013; Watts 2004a). The grievance mechanism suggests that the ability of non-elites to voice concerns over inequities in exploitation and distribution, as
well the ability to participate in decision-making process is essential to achieving equitable growth and prosperity in resource dependent states.

2.1.4 Beyond Abundance: Natural Resources in Context

The attempt to identify universal mechanisms that link resource abundance to conflict has met with resistance from scholarly research – primarily in political ecology – that focuses on the social relations that mediate natural resources exploitation. Le Billon (2012: (10) argues:

Resources vary in their spatial location, relative abundance, physical characteristics, technologies of extraction and transformation, use, social and environmental impacts, and economic value. Resources (and their relative availability or scarcity) are, in other words, simultaneously material and socially constructed.

This perspective has manifested itself in research that pays explicit attention to the ways in which the physical and social characteristics of specific resources, as well as issues of scale, affect conflict risk and vulnerabilities. For example, Le Billon (2001) and Auty (2004) speculate that resource type and proximity to the central state leads to differentiated conflict risk. Point source resources, like oil wells, located at a distance from the state may incite secession conflicts (e.g., Sudan and South Sudan) whereas

12 The present argument draws specifically on the idea of conflict vulnerability and risk (see Le Billon 2008; 2012). Le Billon (2012: 24) argues that resource dependence makes a society more vulnerable to conflict whereas grievances associated with resource control increases conflict risk. These concepts are useful for thinking about governance approaches to development contexts like Ghana. Although Ghana has not experienced large-scale violent conflict, the international community considers its conflict vulnerability and risk to be quite high, given its abundant natural resource base and its dependence on extractive revenue.
diffuse resources in proximity to the state may cause rioting or uprisings (e.g., chronic small-scale conflict over gold in Ghana). Similarly, high-value lootable resources may contribute to warlordism or help to finance rebel activity (Le Billon 2001; Lujala et al. 2010). Ross (2012; 2015) has taken this argument to its extreme by arguing that the resource curse is actually an oil curse: oil possesses specific properties that generate conflict, whereas the relationship remains ambiguous for more conventional resources (i.e., gold, iron ore) (Watts 2004b and for a counterargument to this thesis, Luong and Weinthal 2010). As a result, oil has heretofore played a dominant role in discussions of resource abundance and conflict, and is generally pointed to as the ultimate “conflict resource” (Dunning 2008; Fearon & Laitin 2003; Ross 2012).

Richards (2001) argues that scale plays a similarly important role in perpetuating both grievances and conflict risk. He observes that in West Africa, “the resources in question (e.g., diamonds, uranium, oil) are of strategic significance in industrial countries but of less immediate local utility” (Richards 2001: 66). The mismatch in resource utility across scales fuels chronic political grievances at the subnational level, even while exploitation benefits actors at the national and international levels. This is particularly true for natural resources where decisions by international or national actors about resource use and access may have a disproportionally negative impact on local users (Corson 2011; Ribot 1998; Ribot & Peluso 2003; Singleton 2000).
The social and environmental context surrounding natural resources may influence not only conflict risk but also strategies of control that states or international actors employ to minimize vulnerability (Le Billon 2012). Ideas about conflict vulnerability underscore the perceived need within global policy networks for institution building to strengthen governance capacity and economic performance in resource dependent states. International and domestic policy makers have thus aimed reforms at strengthening national level institutions in order to securitize (consolidate state control) and marketize natural resource endowments (Beevers 2011: 17). This approach is founded on the assumption that external policy reforms can transform the state into a legitimate neutral arbiter that can use its authority to promote greater social stability by supervising competition for resource access and exploitation, translating public discourse into government policy, and mediating emerging disputes (Hardin 1968). The concept of vulnerability is particularly useful because it offers clues as to why states may rationally prioritize certain external policy reforms and types of extraction, even when it appears against their sovereign interests (Finnemore 1996a). For example, African states have tended to prioritize industrial exploitation of mineral resources over more artisanal forms of extraction because this method theoretically reduces political risk: it supplies the state with more secure fiscal revenue and consolidates resource control at the state level. Such considerations are critical for understanding why these states have accepted tradeoffs associated with resource related reform and remain
relatively unmoved by more recent calls to formalize the artisanal extractive sectors (Hilson & McQuilken 2014).

The political ecology approach to understanding natural resource-conflict linkages has also helped expand the meaning of concepts like conflict and violence vis-à-vis natural resource exploitation. Le Billon (2008: 347) argues that the “narrow definition of violence used in much of the literature overlooks multiple forms and scales of violence enacted through resource exploitation and regulation.” Even within a narrow quantitative scope, Kalyvas (2007) reports considerable disagreement exists in econometric studies about how to operationalize the term conflict. While most studies employ fatality thresholds, this measurement can be complicated by competing definitions of fatalities, coding decisions, and unreliable data (Kalyvas 2007). Using the Correlates of War database, for example, Collier and Hoeffler (2004: 595) define civil war “as an internal conflict in which at least 1,000 battle related deaths (civilian and military) occurred per year.” Studies that employ alternate databases, like the Uppsala Conflict Data Program for instance, may use a lower threshold of twenty-five battle deaths per year (Pettersson & Wallensteen 2015). Additionally, resource abundant states can experience significant conflict that remains under acceptable quantitative thresholds for violent conflict but nevertheless disrupts ongoing social activity. Quantitative methods have been thus criticized within the wider literature for their seeming inability to detect
minor but serious disturbances, as well as for prioritizing the spatiotemporal aspects of violence.

Political ecologists, on the other hand, call attention to the need to contextualize violence and conflict within local histories, existing power relations, and material transformations taking place across multiple scales (Peluso & Watts 2001: 5). Grounded in discourse that prioritizes human rights, freedoms, and capabilities (O’Brien & Barnett 2013; Sen 2009), this approach provides scope for recognizing the multiple forms of violence that can take place in relation to natural resource exploitation and governance (Hilson & Yakovleva 2007; Peluso 2007; Turner 2004). Scholarly research from this perspective, for example, might consider repressive strategies employed by the state or the wide scale use of exploitative tactics by societal elites to maintain control of valuable resources a form of violence that can generate both physical and non-physical forms of conflict. Within this context, scholars across political ecology, environmental policy, and security studies have highlighted the ways in which resource extraction by various actors perpetrates forms of structural violence, defined by Gilman (1983: 8) as the “physical and psychological harm that results from exploitive and unjust social, political and economic systems.” This framework replaces the binary condition of violence/peace related to war/non-war with violence as a spectrum of human (in)security.13 This

13 Human security is defined as “something that is achieved when and where individuals and communities have the options necessary to end, mitigate, or adapt to threats to their human, environmental, and social
approach is deemed critical when considering violent conflict as it relates to natural resources, as Le Billon (2008: 347) concludes: “war is not the only (or even primary) type of violence associated with resource-extractive industries, and resource war arguments risk essentializing and depoliticizing violence, thereby misreading its causal factors and impacts.”

This expanded approach to understanding how natural resources contribute to violent conflict is important for two reasons. First, it provides a mechanism by which to explore how international actors, the state, and some multinational corporations are perpetrating various forms of violence in the minerals sector of Ghana and Sierra Leone, even in the absence of civil war or rebellion. In other words, the absence of large-scale conflict is only one criterion out of many needed to establish human security. This conceptual enlargement moves discussions of resource-related conflict out of the confining terms of civil war and more towards political instability, which expands the universe of cases available for investigation beyond post-conflict contexts. Second, it highlights the need for a better understanding of the relationship between conventional minerals and resource related instability (Ross 2004b). The literature reviewed above makes clear the fact that most scholars have pursued oil-conflict linkages in order to better understand the relationship between resource abundance and social conflict.

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rights; have the capacity and freedom to exercise these options; and actively participate in pursuing these options” (Barnett et al. 2010: 18).
Hilson and Maconachie (2009: 85) contend that the “‘conventional’ mineral producers – defined as developing countries endowed with mainly ‘unlootable,’ non-fuel minerals – are being increasingly overlooked in studies of the resource curse in sub-Saharan Africa.” They cite as a reason for this deficiency the fact that while many of these countries “may be illustrative examples of Dutch Disease, at the same time they do not conform to many of the more recent ideas presented on warlordism, civil violence, and greed in resource-rich economies” (Hilson & Maconachie 2009: 85). Ross (2004a: 349) similarly points out that mineral wealth “has received less scrutiny” than oil wealth, and consequently “we do not know if non-fuel minerals pose the same problems as oil and gas.” The paucity of work on conventional minerals and social instability suggests that this is a critical area in the scholarly literature that requires more in-depth empirical research.14

A significant contribution of this work, then, is that it examines the relationship of conventional medium value extractive resources – gold specifically – to instability. International development actors have tended to view the conventional minerals sector as somewhat of a development panacea because it generates foreign direct investment opportunities as well as livelihood opportunities for non-elites (WB 2005). Furthermore, international actors argue that conventional minerals are not valuable enough to trigger

14 But see Nem Singh and Bourgouin (2013a) for an extensive overview of the economic factors underlying the resource curse in conventional mineral states.
the rebel greed mechanism, and thus conventional mineral producers are less vulnerable to civil war (UNEP Post-Conflict Branch Interview 2014). In a similar vein, some scholarly research has argued that the focus on bad governance in conventional mineral states is misplaced because low tax and royalty rates in the mining sector limit the potential for revenue windfalls; thus, conventional minerals are unlikely to incentivize the type of rent-seeking among political elites witnessed with other, more high-value, resources (Campbell 2003, 2006; Hilson & Maconachie 2009). For example, Hilson and Maconachie (2009: 86-87) argue that in Ghana “mismanagement of funds accrued from mining projects has never been a major problem…the poor economic performance of Africa’s conventional mineral producers is more a result of inequitable mining codes than poor governance, that even in situations in which revenue mismanagement may be taking place, the quantities of money available to embezzle are insignificant.” The underlying assumption within both these arguments is that economic (greed) rather than political drivers (grievances) are more likely to influence conflict risk. However, this approach denies the extent to which governance practices that limit resource access and exploitation, inequitably distribute resource benefits, or channel opportunities for benefits through informal markets aggravate grievances that can lead to further instability. Furthermore, it suggests that many scholars and practitioners maintain a relatively narrow perception of violence and conflict vis-à-vis resource extraction. These issues will be further addressed in Chapter 3.
2.2 The Resource Curse as a Governance Curse: The Rise of Resource-Rich States

2.2.1 Defining Resource-Rich States

The flood of research exploring the mechanisms underlying the resource-conflict relationship across numerous academic disciplines reaffirmed the turn to governance made by the World Bank in the 1990s. Luong and Weinthal (2010: 2) point out that the logic underlying resource curse arguments was that “mineral-rich countries are ‘cursed’ because they do not possess the ‘right’ set of institutions.” This reflected a growing consensus within the academic literature that recognized all aspects of resource-conflict linkages – institutional weakening, grievances, and greed – as a function of governance. Research within this context posited that weak institutions (and thus poor governance) were endogenous to resource-rich states (Karl 1997; Ross 1999) because the presence of strong institutions made capturing resource rents – through legal or extralegal means – more difficult for political elites (Ross 2001). This line of academic work was highly influential for international development actors working within the development-security nexus, and shaped perceptions of resource-conflict linkages in specific ways.

Beever (2011: 56) argues explicitly that within post-conflict contexts the resource-

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15 Luong and Weinthal (2010) argue that ownership structure of mineral wealth is an overlooked but important variable that directly affects the domestic constraints faced by the state. These authors contend in their study that Central Asian petro-states were more likely to supply strong institutions in response to private domestic ownership structures in the mineral sector, as domestic business owners could more easily make legitimate political demands on the state. A fundamental claim of this research is that weak institutions may not be endogenous to resource-rich states but that they can be constructed under the right conditions.
conflict literature had a “profound influence on the way international peacebuilding organizations understand how the environment and natural resources relate to peace and has a significant bearing on the reforms and policies that peacebuilders promote in war-torn states.” In global governance networks, it followed that if resource related instability was a factor of weak governance, then international development actors could supply exogenous institutions to improve governance capacity and mitigate conflict risk (Nem Singh & Bourgouin 2013a). An emerging thread of the resource-conflict discourse within academic and policy further theorized that in adhering to good governance reforms, resource-rich states (post-conflict states in particular) could not only prevent conflict but also achieve peace dividends (Jensen & Lonergan 2013; Matthew et al. 2009). Particular resources thus emerged from these discussions in the literature – high-value natural resource in particular – as requiring specific governance interventions in order to maintain wider social stability and create new opportunities for peace.16

This entanglement of the good governance agenda with theories of resource-related instability contributed to the conceptual emergence of the “resource-rich state” within global governance networks. I define resource-rich states as those states in the

16 Scholarship on environmental peacebuilding hypothesizes three primary linkages: (1) reducing violent conflict through improved resource management; (2) stimulating cooperation across governance scales through institutional innovation; and (3) promoting conditions for sustainable development (Jensen & Lonergan 2013). Despite its increasing relevance to peacebuilding efforts across varied contexts, the causal pathways linking natural resource governance and peacebuilding remain largely theoretical and insufficiently supported by empirical work.
Global South with abundant high-value natural resources – especially oil, gas, non-fuel minerals, and timber – where resource wealth provides at least some proportion of government revenue [at least 10% either through taxation (especially of MNCs), royalties, fees, or export] and/or certain groups within the state derive substantial livelihood benefits from access to or exploitation of these resources. Within the global governance community, resource-rich states are perceived to be at higher risk for instability because of their *resource abundance* (compared to those states without abundant natural resources). However, states that are more resource dependent – those that derive a greater proportion of government revenue from resource wealth and/or with more or particular groups dependent on (non-agricultural) natural resource exploitation for livelihoods – are perceived to be more vulnerable to conflict. In other words, all resource abundant developing contexts are assigned as resource-rich, and their vulnerability to conflict increases with their level of dependence. Thus, global governance networks might perceive Sierra Leone to be more conflict prone than Ghana; however, Ghana is more conflict prone than Mali.\(^\text{17}\)

\(^{17}\) This definition is based on Dunning’s (2008) distinction between resource abundant and resource dependent. While the academic literature emphasizes these distinctions, the international development community remains attached to the idea that resource abundance, regardless of dependence, signals increased risk of conflict. Ross (2012) measures resource dependence in oil producing countries as oil income per capita. However, this definition also takes into account the substantial dependence on natural resource exploitation by artisanal and small-scale actors, often through informal channels. Because much of this activity is informal, it is unlikely to to be readily available in economic reports.
In resource-rich states, international and domestic actors equate conflict risk with resource abundance, even if dependence is marginal. In other words, the dominant perception within policy networks is that the mere presence of high-value natural resources in some developing contexts can stimulate conflict. Resource-rich states are perceived to share universal problems related to the extraction of (high-value) natural resources that require common solutions – solutions which can be supplied by the international community through coordinated intervention. The resource-rich label constitutes an emerging category within the development-security nexus that can be applied to identify more easily those states which are perceived to be vulnerable to conflict risk. Remedies to the ailments of the resource-rich state embrace the liberal tenets of good governance, especially: transparency (to address greed mechanisms) and participatory governance (to address grievance mechanisms) as a way to promote accountability (to address institutional weakening). Theoretically, these governance solutions can be transferred to domestic contexts through the design and implementation of modern (neoliberal) extractive resource institutions (Nem Singh & Bourgouin 2013a).18

18 A grounding principle of this approach appears to be based on principal-agent theories (EITI Ghana conference, Sunyani, Ghana, April 2015). Civil society actors in Ghana emphasized in public meetings that the state/agent can be better held to account as society/the principal obtains improved information about the agent’s performance through information-sharing mechanisms that enhance monitoring capabilities. Theoretically, a watchful and knowledgeable civil society can demand change if the state fails to properly execute its functions or revoke governance authority if it oversteps its bounds. Solving principal/agent problems requires building institutions that provide unimpeded two-way flows of information to promote
As an analytical typology, the resource-rich label demands explicit interventions by the international community to construct institutions that can deliver necessary governance standards and processes, and thus mitigate conflict risk. It also underlines a perception – within both the international community and resource-rich states themselves – that there is a correct or appropriate way to govern natural resources (Foucault 1990). The transfer of institutions that can enhance values like transparency within resource-rich contexts have thus become “widely accepted” solutions “to weak governance in resource-rich developing nations” (Haufler 2010: 33). Nem Singh and Bourgouin (2013b: 28-29) similarly conclude that the “rise of international norms and standards on transparency, accountability, and good governance has become the new feature of the global governance agenda in the natural resources sector.” The CFA (2005: 38) emphasized this position when it argued that “donors must place far more emphasis on building the foundations for durable human security and supporting African institutions in attempts to prevent the outbreak of fighting in the first place.”19 Ultimately, the resource-rich label acts as a disciplinary mechanism that compels international and domestic actors to pursue specific globally-accepted neoliberal transparency, and a legal platform that coordinates rules and shapes expectations regarding natural resources exploitation and benefit distribution.

19 The CFA adds: “For political leaders to be held accountable, citizens must have proper information about government revenues and budget allocations. Openness makes it more likely that resources will be used efficiently. By contrast a lack of transparency encourages corruption, especially where politicians and officials are members of secret societies, which are common in Africa as in the rest of the world. This lack of openness is a particular problem where income – particularly that derived from oil, minerals and other high-value natural resources – is managed in a way which hides accounts from the public” (CFA 2005, 35).
governance strategies derived from the convergence of the good governance discourse and the resource-conflict academic literature (Foucault 1990). Doornbos (2003: 6) argues that this “includes both discipline from above and the governance of ‘self,’ and compels state and policy structures in individual countries to conform to the norms set by global institutions.”

Woods (2000: 824) contends that in pursuing institutional change that championed “transparency, accountability, efficiency, fairness, participation and ownership,” international development actors expected to transform resource-rich states into modern liberal states characterized by “political accountability, participation, an effective rule of law, transparency, and flows of information between governments and their citizens” (Stiglitz 1998). This approach maintained the existing emphasis – developed in the late 1980s – on liberal statebuilding in the Global South.20

Statebuilding strategies focused extensively on domesticating normative frameworks through structural changes to domestic legal frameworks. In particular,

20 The role of institutions in promoting development through natural resource management across multiple political scales has been the subject of extensive scholarly research (Agrawal 2001; Larson & Soto 2008; Lemos & Agrawal 2006; Libecap 1993; Ostrom 1990, 2005; Platteau 2000a). However, other research questions the assumption that domestic institutions can be strengthened through external interventions. In particular, there is little consensus in the literature about whether there is a universal “institutional structure” that promotes good natural resource governance across differing contexts (Biermann et al. 2012; Chhatre & Agrawal 2008). Ostrom’s (1990) institutional design principles for managing common pool resources – which is highly applicable to managing mineral resources like gold – initiated an expansive research program in political science aimed at isolating the critical institutional components that lead to sustained ‘good governance’ of natural resources (Baland & Platteau 1996; Bromley et al. 1992; McKean 1992, September, 2008). However, researchers have yet to develop a systematic theory about the relationship between institutional development and natural resource management.
reforms aimed to transfer strategies, norms, and rules centered around transparency, participation (especially free and prior informed consent), smart regulation, environmental protection (invoking the precautionary principle), and secure property rights. This resulted in the introduction of new laws and legal revisions; the designation of new policies, regulations, standards, and (minerals) licensing processes; accession to international treaties, governance regimes, and global standards (i.e., Extractive Industries Transparency Initiative); and the (re)construction or (re)ordering of government organizations (especially Minerals Agencies and Environmental Protection Agencies).

Campbell (2003, 2006), for example, provides a detailed overview of “three generations” of adjustments to mining codes across sub-Saharan Africa, which overhauled the legal and fiscal framework in the minerals sector to attract foreign direct investment. Updating, remodeling, or tweaking legislation remains a dominant mode by which to promote social change as well as demonstrate conformity with global norms (Merry 1988), and legal frameworks can be reworked several times as new global priorities emerge. Hironaka (2002) on the other hand points to the dissemination of particular environmental management tools, like Environmental Impact Assessments (EIAs), across development contexts, which have been “adopted primarily in response

21 I draw specifically on the institutional lexicon developed by Crawford and Ostrom (1995).
to encouragement from the global environmental regime rather than due to the intrinsic procedural efficiencies of EIAs or due to pressure from domestic environmental groups” (Hironaka 2002: 67). Similarly, Frank et al. (2000) and Johnson (2016) argue that certain forms of environmental protection tools, especially laws and regulatory structures, are more likely to be transferred to development contexts. Regulatory organizations like Environmental Protection Agencies and Minerals Agencies, as well as standard licensing processes for access to mineral rights, have emerged to standardize cost-benefit analyses related to extractive projects across country contexts. Chapter 3 focuses on these developments. The goal of such regulatory mechanisms is to address social and environmental issues in a participatory and precautionary manner to prevent conflict related to resource access or benefit distribution (Brown et al. 2013).

The current approach to governance in resource-rich states reinforces Foucault’s (2008) observation of the state as a horizon of improvement (Li 2007a), in that wider social change is viewed as a function of government ideology, as well as in its capacity to provide space for that ideology to flourish. In other words, the potential for improvement – development, stability, peace – expands exponentially as the state embraces neoliberal constraints (and transitions to a modern legal structure) that enhance its ability to provide an enabling environment for the free market to function (North 1990). International development actors have pursued this philosophy in their efforts to reassert the state as the primary governance supplier in resource-rich states. As a
primary governance supplier, the role of the state is to coordinate the rule sets that society follows in order to structure social interaction. Hodgson (2006: 15) emphasizes: “In a world of incomplete and imperfect information, high transaction costs, asymmetrically powerful relations, and agents with limited insight, powerful institutions are necessary to enforce rights.”

The emphasis on state control of extractive governance through transparent and accountable regulation corresponds well to perceived links between conflict and natural resources in the literature. Autesserre (2010: 41) highlights how international peacebuilders viewed natural resource conflict in the Democratic Republic of Congo “as a Hobbesian challenge” because such conflict “resulted from the lack of state authority in the eastern provinces.” Similarly, Beevers (2011: 96) finds that “consolidation of state authority is perceived as an important way to protect society’s most vulnerable groups but also to balance demands for resources, resolve disputes and translate public debate into government policy.” These analyses echo previous research demonstrating linkages between weak state control over natural resources and violence (Le Billon 2001; Matthew et al. 2010a). Enhancing the regulatory and enforcement capacity of resource-rich states has thus become a primary goal for international development actors, non-governmental organizations, and domestic civil society organizations. It has also resulted in the dissemination of specific governance frameworks and structures (i.e.,
blueprints)\(^{22}\) that aim to institutionalize social and environmental safeguards while promoting sustainable development through the extraction of high-value resources like oil, conventional minerals (gold), and timber.

2.2.2 Explaining the Emergence of the Resource-Rich State

The World Polity school of sociology provides a theoretical framework by which to understand this global policy shift aimed at the resource-rich state (Barnett & Finnemore 2004; Finnemore 1996a; Meyer 2010; Meyer et al. 1997a). World Polity theory suggests that “many features of the contemporary nation-state derive from worldwide models constructed and propagated through global cultural and associational processes” (Meyer et al. 1997a: 144-145). Such models are created and disseminated within global policy networks\(^{23}\) that advocate for the application of “universalistic laws” to regulate and constitute the “natural and social environment” (Meyer 2010: 10).

Finnemore (1996a: 5) argues that states embedded within and which constitute part of this world society can be “socialized to accept new norms, values, and perceptions of

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\(^{22}\) Despite extensive research in political ecology highlighting the ways in which the physical and social characteristics of natural resources impact conflict potential, current approaches tend to regard all high-value resources as requiring similar interventions. As a result, institutions designed to govern oil might look identical to institutions created to manage gold.

\(^{23}\) McNutt and Pal (2011: 440) argue that global policy networks consist of “domestic governments, international organizations, professional associations, foundations, think tanks, and academic institutions.” Duffield (2001: 11) argues that these networks have drawn nation-states into “multi-level and increasingly non-territorial decision-making networks that bring together governments, international agencies, non-governmental organizations, and so on, in new and complex ways. Consequently, there has been a noticeable move from the hierarchical, territorial and bureaucratic relations of government to more polyarchical, non-territorial and networked relations of governance.”
interest by international organizations.” The literature has explored numerous mechanisms by which state interests may be molded by international actors, including: coercion (Moravcsik 1997), shared narratives (Anderson 1991), taught preferences (Finnemore 1996b), calls to advocacy (Keck & Sikkink 1998), cascades (Finnemore & Sikkink 1998), metanorms (Conca 2006), and defining discourses (Ferguson 1994). The dissemination and subsequent uptake of such models from global to national levels of government results in institutional and organizational isomorphism across (sub)global units, even when those units are characterized by unique domestic contexts and capabilities. Indeed, Meyer et al. (1997a: 154) stress that normative models and organizational structures often diffuse “even under the most unlikely social and economic circumstances.” Within this analytic frame, actors in global society are ordered according to a logic of appropriateness (March & Olsen 1996), which defines “who the principal actors in world politics should be, how these actors should organize themselves internally, and how they should behave” (Paris 2004: 35). Ultimately, vertical transfer and domestic uptake is a critical mechanism for institutional change that helps explain isomorphism across country contexts (DiMaggio & Powell 1983) – especially in the environmental realm (Frank et al. 2000).

\[24\] But also see the public administration literature exploring mechanisms of policy transfer via the analytical lens provided by new public management studies (Buduru & Pal 2010; Dolowitz & Marsh 1996; Stone 2008, 2012).
Scholarly work in the peacebuilding literature has drawn extensively from World Polity theory to explain how international peacebuilders working within global policy networks – particularly the United Nations – constructed a dominant and universally applied (though potentially faulty) approach to post-conflict peacebuilding (Autesserre 2010; Paris 2004). Duffield (2001: 8, 12) has similarly argued that post-war reconstruction prescriptions supplied to the Global South by powerful global policy networks represent an “internationalization of public policy” that authorize a “radical agenda of social transformation in the interests of global stability.” The application of World Polity theory to this vein of research has been instrumental for explaining why different organizations and actors across the international community – from World Bank policy analysts to local bureaucrats – have come to understand the causes of and responses to civil conflict in analogous ways. It also underscores the ability of international actors to construct and assign labels, like “post-conflict,” that define and categorize not only the problems confronting certain states but also the strategies required to address and ultimately solve those problems. Haufler (2010) adds that besides defining problems and creating solutions, global policy networks also generate new actors that reinforce normative diffusion by fixing meaning and advocating for social change at the more local scales. These domestic policy entrepreneurs – which operate within and across transnational networks – have helped to bridge the international and domestic domains by working to institutionalize global norms within
domestic frameworks. This scholarship emphasizes the utility in applying World Polity theory to resource-rich states.

Lefebvre (1991: 16-17) argues, “every space has an associated connotation” and “an already produced space can be decoded, can be read.” In labeling states with abundant high-value natural resources as resource-rich, the international community coded those spaces as belonging to a particular group in the global community that faced similar risks as a result of their resource endowments. These spaces could easily be read and decoded by anyone familiar with extractive high-value resources, which facilitated problem-solving among development actors as pre-set, agreed upon, common solutions could be applied to pre-empt conflict (Hirschman 1967; Roe 1991; Hironaka 2002; 2014; Frank 2000). High-value natural resources, in particular, were assigned specific properties and risks that were similar across states regardless of context. This meant that all states possessing high-value natural resources c/should be required, by a logic of appropriateness, to implement specific governance frameworks in order to avoid the negative effects of the resource curse and to promote peace. The resource-rich label, thus, acted as a disciplinary mechanism necessary to compel both international development and domestic actors to conform to globally-accepted strategies for governing high-value natural resources (Foucault 1990).25

25 Both international and domestic actors become complicit in this agenda because of the way in which problems are defined and solutions devised within global society. Specifically, global actors draw on
What is particularly helpful about the World Polity model is that it brings into sharp relief how power and authority have been reconceptualized since the end of the Cold War. In particular, it has highlighted the role international organizations play in domestic policy formation (Barnett & Finnemore 2004), as well as the importance of governance networks in transmitting and reinforcing diffused rules and norms (Haufler 2010; McNutt & Pal 2011). In the era of globalization, states have become accountable not only to their own domestic populations, but to powerful actors operating in the global governance spaces above (Duffield 2001; Karkkainen 2004). Accountability to entities outside the sovereign state can be viewed as an outcome of uneven relations of power that characterize North-South linkages in two important ways. First, more powerful governance networks in the Global North – which are primarily of an “economic, technological, political and military character” – can dictate what states in the Global South should do either through force (Ikenberry 2001; Owen 2002) or political/economic conditionalities (Duffield 2001: 8). Second, the powerful socializing effect of dominant governance frameworks shapes the interests of states by codifying elements required of a ‘modern state’ (Finnemore 1996a; Okoth-Ogendo 1979). Weinthal extensive authority to ‘specify which actors have responsibility for solving … problems’ and identify the ‘right or appropriate kind of solution’ (Barnett & Finnemore 2004: 34). Meyers et al. (1997a: 150) argue ultimately that “nation-states are more or less exogenously constructed entities—the many individuals both inside and outside the state who engage in state formation and policy formulation are enactors of scripts rather more than they are self-directed actors.” Exogenous factors ultimately predominate in defining the problems facing resource-rich states as well as the possible solutions that can be provided.
(2002: 208-209) captures the essence of this type of post-sovereign governance in Central Asia:

Even when IOs, for example, encourage countries to create agencies and sign legal documents by reason of ‘this is what states are supposed to do,’ they also infringe on the domestic sovereignty of states by limiting the ability of states to engage in independent policy making. Indeed, the illusion that domestic governments are actually responsible for the creation of new domestic institutions is essential for state building even if these acts could not be accomplished without foreign financial and technical assistance.

The latter process, which socializes states to redefine their own interests, is particularly conspicuous in resource-rich states. Bureaucrats in the Ministries in Accra and Freetown frequently invoke the pernicious effects of the resource curse and the consequent need for good governance to justify ongoing reform to domestic populations. Governance approaches in resource-rich states – often externally imposed and internally accepted – thus reflect a positive power that “gives shape to institutions that supervise rather than contain” (Merry 1988: 888). World Polity theory, then, exposes the disciplinary power that emanates from the governance agenda pursued in resource-rich states, which focuses not only on prohibiting certain behavior and activity but also on the “positive formation” of norms and rules and “shaping of individuals” to fit those newly imposed rules and norms (Merry 1988: 888). Foucault (2008: 8) emphasized this face of power in his contention that the “art of government must therefore fix its rules
and rationalize its way of doing things by taking as its objective the bringing into being of what the state should be.”

In the next chapter, I employ the theoretical framework introduced here to explore how good governance reforms in Ghana and Sierra Leone have reshaped domestic mineral politics. Ultimately, I contend that governance reforms in resource-rich states have struggled to deliver expected benefits because they fail, like many reform efforts before them, to account for the way in which the existing institutional context – which is historically contingent and embedded in particular relations of power – mediate external interventions and distort policy outcomes. Despite the inclination of the good governance agenda to address politics in development (Acemoglu & Robinson 2012), reforms have remained largely apolitical in nature. By apolitical I mean that both international and domestic actors have focused extensively on manipulating institutional controls (especially rules and norms) in order to shape highly political processes that involve regulating access to and distribution of resource wealth (Nem Singh & Bourgouin 2013b). This approach is grounded in an assumption of a one-to-one correspondence between form/structure and function/agency, and tends to ignore the relations of power that mediate institutional change. This ultimately reduces the highly political process of negotiating resource access and use between multiple groups in resource-rich states to a function of institutional design (Nem Singh & Bourgouin 2013a). The prioritization of government efficiency over distributional concerns in natural
resource governance has tended to lock in structural inequities that lead to larger social instability.
3. Good Governance and Limits to Institutional Change in Resource-Rich States

In resource-rich states, the international community and the state have come to perceive good governance reforms as a panacea to the potential perils of the resource curse (Nem Singh & Bourgouin 2013a) (but see Ostrom et al. 2007 for a discussion of panaceas). While Chapter 2 demonstrates that resource curse theory remains contested in the academic literature, many government officials and development practitioners view it as a concrete threat that needs to be addressed urgently in practice, especially in African states. The resource-rich label in Ghana and Sierra Leone, as within many states in the Global South, has thus authorized particular strategies of reform. Such efforts have resulted in the dissemination of governance frameworks and structures (i.e., blueprints) that aim to institutionalize particular social and environmental safeguards while promoting sustainable development through the extraction of high-value resources like oil, conventional minerals, and timber (Nem Singh & Bourgouin 2013a). Advocates of reform posit that institutionalizing standards of transparency and accountability, participatory governance, and modern regulation in resource-rich contexts can reorder state-society relations, improve environmental outcomes, and enhance prospects for peace and social justice. In particular, existing scholarship hypothesizes that improved governance of natural resources mitigates conflict and potentially contributes to peace by: (1) reducing grievances and/or improving the
redress of grievances through the designation of processes that promote more equitable access and dialogue, ultimately diminishing the potential for violent conflict (Matthew et al. 2009); (2) enhancing state-society connectivity through institutional innovation, which can promote greater transparency and accountability (Le Billon 2012); and (3) promoting conditions for sustainable development, including livelihoods development and fostering economic growth through resource exploitation (Conca & Dabelko 2002; Matthew et al. 2009).

Although state leaders in Ghana and Sierra Leone have undertaken significant measures to transform their domestic political contexts in alignment with international governance standards (Finnemore 1996a; Weinthal 2002), the extent to which such reforms have resulted in desired social change remains a significant source of debate (Hilson & Maconachie 2009; Sepulveda & Syrett 2007). While both Ghana and Sierra Leone have witnessed the emergence of relatively strong natural resource governance institutions that reflect global blueprints, these institutions have struggled to extend their influence in society beyond a narrow range of elite actors. In effect, institutional reforms have been impeded from promoting wider social change. This institutional blockage has resulted in the continued exclusion of specific groups from formal extractive processes and the perpetuation of the informal mineral economy, which has, in turn, propagated social conflict and environmental degradation. The questionable efficacy of institutional reforms in Ghana and Sierra Leone tap into broader debates in
the academic literature about how and to what extent structural change in the form of formal institutional reform propels real social change (Hironaka 2014; Platteau 2000b).

This chapter explains why governance reforms in Ghana and Sierra Leone have only partially propelled institutional change in the natural resource sector and struggled to address chronic local conflict in resource-rich rural areas. In order to explain impediments to wider institutional change, I argue that governance reforms must be situated within the broader political context of global-state-society relations; particularly, the ways in which institutional diffusion reshapes how authority for natural resources is split between state and society. Structural reforms have attempted to establish and consolidate state control over the environment and natural resources to build governance capacity and mitigate conflict, a strategy which Beevers (2011: 17) labels “securitization.” In spite of efforts to enhance governance capacity, however, the state in Ghana and Sierra Leone has been relatively unsuccessful at consolidating its authority over natural resources, which has perpetuated a fragmented political terrain characterized by resource competition and chronic conflict.

This chapter specifically seeks to explain how the diffusion of global models has (re)shaped the politics of mineral extraction in Ghana and Sierra Leone; however, its broader purpose is to investigate how environmental governance reforms can paradoxically reinforce extractive conflicts. Since the end of the Cold War, the international community has become increasingly interested in understanding how
natural resources, and their governance, contribute to conflict and peacebuilding (Matthew et al. 2009; Ross 2004a; Ross 2004b). Much of the work that emerged from this period argued that resource related instability was a factor of weak governance (Chapter 2), and that international actors could improve governance capacity and mitigate conflict risk by (re)building domestic institutional capacity through the introduction of global models. A major assumption underlying this logic is that given a particular structure, all societies – regardless of local context and culture – will ultimately organize themselves to function in more or less the same way, even if it takes unique combinations of structural changes to get to that point.\(^1\) This approach has been critiqued, however, by scholarly research that argues that vertically introduced blueprints often fail to deliver their development objectives, meaning that governance benefits remain largely unrealized (Li 2007a).\(^2\) Of particular concern in Sub-Saharan Africa is the fact that institutional change has paradoxically reinforced an informal market economy that continues to destabilize policy reforms in the formal sector and increase conflict risk (Hilson 2013; Reno 1995).

\(^1\) Barnett and Duvall (2005: 41) argue that constructivist theories like World Polity prioritize structural arguments to the detriment of agency: “Mainstream constructivists, too, have pitted themselves against explanations in terms of power as they have attempted to demonstrate the causal significance of normative structures and processes of learning and persuasion.”

\(^2\) Li (2007a: 1) focuses explicitly on disconnections between what is expected theoretically from international development interventions versus what is achieved.
How, then, are we to understand the relationship between institutional reform and social change in Ghana and Sierra Leone? In particular, why have both of these states witnessed the emergence of strong regulatory institutions, but been unable to capitalize on reforms to mitigate wider social conflict? In order to begin to understand the mechanisms linking institutional change and social conflict, the next section examines the theoretical and empirical puzzle of why, despite the institutionalization of global governance models, Ghana and Sierra Leone have been unable to promote social stability in the extractives sector. In the subsequent section, I elucidate the ways in which the diffusion of global models has reshaped governance authority over natural resources in both contexts, drawing in particular from state-society theory. In the final section, I demonstrate how a fragmented political terrain, in which state and society actors compete for natural resource access and benefits, contributes to social conflict and environmental degradation.

3.1 The Puzzle: Institutional Diffusion and Social Change in Ghana and Sierra Leone

3.1.1 Creating Social Change in Ghana and Sierra Leone

Good governance reforms in the minerals sector have been ongoing in Ghana since the early 1990s and in Sierra Leone since the end of its civil war in 2002. In much of the mainstream institutional literature, conventional wisdom dictates that institutional (re)building mitigates political instability in resource-rich contexts by establishing constraints that reorder domestic political relations (Acemoglu & Robinson 2012; North
1990). Specifically, the transfer of first-order economic principles within the confines of high quality “inclusive” institutions hypothetically limits the extractive power of the state while simultaneously increasing state accountability, thereby checking the state’s predatory tendencies and “strengthening the linkages between the state and civil society that enhance mechanisms of transparency, accountability, and due representation of citizenry” (Nem Singh & Bourgouin 2013b: 31).3 State-society literature further posits that governance reform could theoretically mitigate conflict and promote peace in the natural resource sector by establishing institutions that enhance state social control, which Migdal (1988b: 261) defines as “the actual ability to make the operative rules of the game for people in society.” The underlying assumption here is that high quality institutions which enhance state social control “provide a stable and predictable investment environment, manage the influx of resource revenues for economic growth, and resolve disputes around natural resource access and use, as well as revenue distribution, to prevent instability” (Nem Singh & Bourgouin 2013a: 7).

Much of the existing development literature theorizes that the top-down diffusion of governance models from the global to domestic arena remains a critical avenue for generating high quality domestic institutions (Berman 2009; Finnemore

3 Acemoglu and Robinson (2012: 74) argue that inclusive institutions feature “secure private property, an unbiased system of law, and a provision of public services that provides a level playing field in which people can exchange and contract; it also must permit the entry of new businesses and allow people to choose their careers.” In other words, these institutions are highly participatory, requiring secure property rights and economic opportunities not just for the elite but for a broad cross-section of society.
For this reason, institutional reform in resource-rich contexts tends to be isomorphic in nature (DiMaggio & Powell 1983; Goldman 2005; Hirschman 1967; Roe 1994). Institutions – especially norms – are expected to jump governance scales without significant change to meaning or content, signifying that global institutional models are deemed transferrable across a multitude of local contexts. Indeed, as Ghana and Sierra Leone have incorporated modern governance blueprints into their domestic frameworks, their formal institutional environments have grown increasingly similar both to each other and to other resource-rich states populating the Global South (Meyer et al. 1997a). This approach assumes that “social change is driven by the development of institutional structures” that shape social relations in specific ways, and encourages political restructuring through institutional design (Hironaka 2014: 17) [see also (Johnson 2016)]. The underlying expectation then is that the implementation of specific structural constraints can fix deviant social behavior and produce more desirable social outcomes by reshaping incentives on the ground (Acemoglu & Robinson 2012; Paris 2004).

4 I define isomorphism as “a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions,” which results in “homogeneity of organizational forms and practices” (DiMaggio and Powell 1983:148-149).

5 Auty (2004: 33), for example, highlights the extent to which effective institutions may be regarded as “an impediment to rent-seeking behavior because they increase government accountability and promote competition, both of which shrink rent-seeking opportunities.”
In some ways, Ghana and Sierra Leone have fulfilled conventional expectations. Both these states have managed to build relatively strong regulatory institutions and processes (measured against international neoliberal standards of practice) that have increased transparency, accountability, and civic participation in the management of high-value natural resources. The establishment of mineral licensing and permitting processes, in particular, has helped the state promote an enabling environment for private investment by establishing a system of secure property rights. The use of environmental assessments, for their part, has instituted a standard method for determining the costs and benefits of resource extraction in order to address and resolve social and environmental grievances. Such efforts have led to the formation of robust institutional frameworks that seek to more equitably regulate natural resource access, use, and benefit flows across society, as well as to mitigate the potential negative social and environmental impacts of extractives projects. The international and West African community view Ghana’s natural resource regulatory agencies, the Environmental Protection Agency (EPA), the Forestry Commission, and the Minerals Commission in particular, as some of the strongest in West (and possibly wider) Africa.

Yet, despite the emergence of strong, seemingly inclusive, regulatory institutions, these structures have been unable to expand their influence in society. Existing informal governance networks have endured – and, in some cases, expanded their reach (Dia
In particular, most people engaged in artisanal and small-scale mining in Ghana and Sierra Leone continue to operate primarily outside of formal state institutions, and look to alternative governance suppliers within informal networks to legitimate their activities (Reno 1995; Weber 1954). This suggests that, contrary to expectations in the literature, structural reforms have failed to create an inclusive environment in which people are empowered to engage in formal state processes to address grievances, demand state transparency and accountability, or ensure reliable access to natural resources. In effect then, “best practice” reforms that allegedly enhance transparency, accountability, and participatory governance have been unable to reconfigure state-society relations in ways that enhance state-society connectivity; rather, they have paradoxically perpetuated the fragmentation of social control in society. The fragmentation of social control has contributed to instability as the state and societal elites find themselves in seemingly open access competition over land and natural resources with multiple sets of governance networks.

The overarching question this dissertation seeks to address is this: why have governance reforms in Ghana and Sierra Leone, which have led to the emergence of institutions widely perceived as necessary for conflict mitigation and peacebuilding in

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6 Mamdani (1996) depicts these networks as “modern” and formal versus “traditional” and informal. These networks effectively carve out natural resource governance authority from the state since such “social arrangements are often effectively stronger than the new laws” with which they compete (Merry 1988: 880).
resource-rich contexts, struggled to drive social change? I define social change here to mean the process of consolidating social relations around a unifying set of rules in society – in this case, within the minerals sector specifically. As noted in chapter 2, scholars and policy makers assume that cultivating domestic institutions that reflect global standards of best practice ultimately improve natural resource governance capacity, thereby promoting social change that reduces resource-related instability. To the surprise and disappointment of many, however, Ghana and Sierra Leone have experienced almost the opposite result: the introduction of modern natural resource governance institutions has actually undermined the ability of the state to consolidate social control and achieve peace dividends from governance reform.

The dependent variable is the extent to which institutional reforms foster domestic conditions that enhance social stability and minimize environmental degradation. Since most peacebuilding efforts revolve around establishing a specific set of neoliberal environmental institutions in resource-rich states, I assume that reordering social relations around a single comprehensive rule set (i.e., social change) as determined by the state is a necessary condition to achieve these outcomes. As such, I attempt to empirically test whether institutional reforms structure social interactions

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7 Such institutions would theoretically enhance protection of property rights, contract enforcement, market-based competition, transparency, protection of social and environmental rights, and participation in resource-related governance processes (Rodrik 2008). In the environment sector, these have largely taken the shape of environmental and extractive regulations that employ licensing and permitting processes to monitor and enforce institutional compliance.
between state and society in ways that decrease vulnerability to instability and promote sustainability. In much of the analysis, I thus utilize the concept of “social conflict” to indicate the presence or absence of social stability, which I define over a range of outcomes including no violent conflict, vulnerability, environmental violence, and violent conflict (Le Billon 2012). Following Le Billon (2012: 5-6), I define vulnerability as a form of structural violence that “curtails opportunities, fosters inequalities, and arouses frustrations” and environmental violence as the “negative social and environmental impacts of resource extraction, as well as the cycle of resistance and repression associated with the subjugation of the rights of people to control resources and determine the use of their environment.”8 Violent conflict is simply the manifestation of physical or armed conflict.

To fully understand why institutional reforms have failed to produce expected social change in Ghana and Sierra Leone requires broadening current conceptualizations of conflict and peace in political science. Conca (2002: 9) argues that “peace can be thought of as a continuum ranging from the absence of violent conflict to the inconceivability of violent conflict” and that “the material challenge of peace is to address problems of structural violence and social inequality – problems that make intergroup violence, on scales from local to transnational, all too easy to imagine.” In

8 See Galtung (1969) on the concept of structural violence.
other words, a lack of large-scale or observable conflict does not necessarily equate to stability. Matthew et al. (2010b: 17) specify that “violent conflict is most likely where a range of motivations converge to persuade sufficiently large numbers of people that a resort to violence is justified, profitable, inevitable, or transformational.” This suggests that grievance-generating instability – or chronic localized conflict that decreases human security – can be ongoing (and perhaps cumulative) even in the absence of large-scale violence. As such, I do not use measures of observable or recorded conflict to analyze social stability; rather, I employ local perceptions of stability and conflict. While this approach sacrifices specificity in defining the overall concept of “conflict,” it enhances the ability to conceptualize conflict in locally relevant terms. Ultimately, this approach creates a more robust picture of local confidence in the “imagined security” of community and country, which is more analytically useful for understanding impediments to social change (Anderson 1991).

3.1.2 Strong Institutions in Weak States

The emergence of strong institutions in the context of weak state social control is even more puzzling when we directly contrast the experiences of Ghana and Sierra Leone. Much of the research on natural resources and peacebuilding has compared two post-conflict countries or examined peacebuilding outcomes in conflict contexts on a case-by-case basis (Beevers 2011; Matthew et al. 2010a; UNEP 2007). The approach here, in contrast, employs a least similar case design in order to analyze the relationship
between environmental governance reform and social change (George & Bennett 2005; Mill 1872). Ghana, given its status as a relatively well-institutionalized and stable democratic state that has not experienced large-scale conflict, is considered a “most-likely” case in that scholars and policy makers would expect governance reforms to foster conditions that contribute to social and environmental change. Sierra Leone, on the other hand, is a “least-likely” case, given that it recently experienced significant civil conflict, natural resources played a predominant role in the onset and duration of that conflict, and institutional reforms are relatively recent in nature. We would expect, then, Ghana and Sierra Leone to differ on the dependent variable: in particular, Ghana should constitute a compelling case for environmental peacebuilding while Sierra Leone might exhibit only a weak or low-magnitude peacebuilding outcome. In reality, Ghana and Sierra Leone do not differ significantly from one another on the outcome variable. Institutional reform in both cases (the common independent variable) has not contributed to comprehensive social change, and social conflict around natural resources broadly and extractive resources in particular remains considerable. This outcome is puzzling for the following reasons.

First, the international community considers Ghana, in particular, to be a resource-rich state which exemplifies good environmental governance in Sub-Saharan Africa (Van Alstine 2014). Ghana’s environmental governance framework has been highly influenced by global trends in international development: it served as an initial
testing ground for structural readjustment in Sub-Saharan Africa in the 1980s (Campbell 2003; Herbst 1993; Hilson 2004) and it subscribed to many of the policies emerging from global governance initiatives beginning with the United Nations Conference on the Human Environment in 1972. Reform efforts have been financed or technically supported by international development actors, reinforced by policy entrepreneurs operating across global policy networks, and championed by the growing environmental peacebuilding movement in the international community (Conca 2002; Jensen & Lonergan 2013; Matthew et al. 2009). The Natural Resource Governance Index (NRGI), which measures the quality of governance in the oil, gas, and mining sectors, ranks Ghana 15 out of 58 countries in terms of governance quality, and first in Sub-Saharan Africa (NRGI 2013). NRGI notes that Ghana scores particularly well in the categories of “Institutional & Legal Setting” and “Safeguards & Quality Controls components,” indicators which ultimately reflect Ghana’s success in aligning its legislative framework with global standards in extractives governance (NRGI 2013). Similarly, the World Bank ranked Ghana in the 98th percentile in its respective income group (i.e., lower middle income) in terms of regulatory quality for the 2017 fiscal year using its Worldwide Governance Indicators tool (Kaufmann & Kraay 2016). Given its status as a resource-rich state at the forefront of environmental governance in Sub-Saharan Africa, Ghana would be expected to capitalize on the implementation of
environmental institutions to enhance and enforce state social control, and improve social and environmental outcomes.

Second, in addition to its status as a governance leader in Africa, Ghana has benefited from a tremendous amount of scholarly work examining why governance reforms in the mineral sector specifically have contributed to an expansion of the informal economy (Hilson & McQuilken 2014). Much of this research, deriving from geography and critical geography, focuses on social exclusion and a lack of government capacity as the primary explanatory variables driving informality (Campbell 2006; Fisher 2007; Hilson 2004; Tschakert 2010). Others contend that the international community and the Ghanaian state continue to mischaracterize the socioeconomic context in which informality emerged, and thus misjudge the solutions required to address the issue (Hilson & Gatsinzi 2014; Hilson & McQuilken 2014; Sepulveda & Syrett 2007). The Government of Ghana, internalizing many of these critiques and encouraged by civil society groups, has attempted to address these problems in the past 10 years by promoting governance capacity in the artisanal and small-scale sector and expanding enforcement measures. Specifically, Ghana has implemented regulatory reforms that attempt to increase government accountability, enforce rules to standardize resource access, and enhance public awareness, debate, and participation in
environmental governance processes. For example, the Minerals Commission, supported by the international community, has engaged substantially with the issue of informal mining or *galamsey*: in 2016, the Commission released its Minerals and Mining Policy, which explicitly addresses the formalization of the informal mineral economy (GoG 2016), and in 2015, it issued an Artisanal and Small-Scale Mining Framework, which acknowledges the significance of the informal artisanal and small-scale sector to national mineral production (MC 2015). Additionally, the recent 2016 election of the NPP’s Nana Akufo-Addo was due in part to his promise of “regularizing” the informal mining economy (Taylor 2016). Despite significant attention to these issues, however, Ghana has made little progress in managing its informal mining situation (Hilson & McQuilken 2014; Labonne 2014). The mining sector – predominately split between large-scale formal operators and artisanal and small-scale informal actors – has remained remarkably stable over the last three decades, which raises the question: what makes the informal economy so resilient? Why has Ghana been unable to build on policy reforms to reconcile formal and informal markets? While social exclusion and capacity issues

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9 International development actors theorize that these efforts, which promote local ownership of the governance process through inclusion, would help reconcile global and local governance institutions by prioritizing participation of local actors.

10 Total gold production by both formal and informal small-scale miners increased from 2.2% in 1989 to 28% of the national production in 2011. Production of all diamonds comes from the small-scale mining sector (MC 2015).
likely contribute to the problem, the inability of the recent surge in state activity to mitigate the informal economy would suggest there are broader dynamics at play.

Third, in contrast to Ghana, Sierra Leone is a weakly institutionalized state that has struggled historically to build high quality governance institutions. Reno (1995), for example, demonstrates how good governance reforms promoted by international financial institutions before the civil war in 1991 led to a deepening of informal activity – primarily in diamond mining – that contributed to the onset of conflict. In response to imposed reforms, political elites abandoned formal governance institutions in order to consolidate political power in the informal sphere. Institutional reforms thus failed to deliver expected benefits because elites continued to use public institutions to control informal markets and engage in private enrichment (Bayart 2009). Within this institutional context, I assume environmental governance reforms would have a more limited impact on peacebuilding outcomes since political elites have historically demonstrated a tendency to weaken or co-opt strong institutions (Beevers 2011; Keen 2005; Reno 1995; Ross 2001). On the contrary, however, Sierra Leone has successfully constructed relatively strong institutions in the minerals sector, including the Environmental Protection Agency-Sierra Leone (EPA-SL) and the National Minerals Agency. Despite its recent designation in 2009, the EPA-SL, in particular, is considered one of the most powerful regulatory agencies in Sierra Leone and has been able to intervene in highly political situations to advance its agenda (Personal Observation,
The fact that Sierra Leone has enhanced its capacity to manage high-value natural resource in the formal domain, in parallel to but distinct from the informal sphere, indicates that institutional reform has empowered formal state institutions and contributed at least partially to social change – more, in fact, than might otherwise be expected.

Ghana and Sierra Leone are thus empirically puzzling cases for different reasons. In Ghana, the literature posits that institutional reforms would enhance the formal authority of the state through formal-informal institutional reconciliation, especially given the extent to which Ghana has already institutionalized democratic norms (Dia 1996). Yet, there has been little convergence between formal and informal spheres and the state has been unable to comprehensively enforce reforms to expand its authority. In Sierra Leone, on the other hand, the literature would suggest that it would be more difficult for institutional reforms to constrain informal channels of authority, especially if such reform further threatened opportunities for elites to maintain political control (Reno 1995). And yet, reforms have been somewhat successful in helping the state enhance its formal authority. In other words, we should not have expected state institutions to be so weak in driving social change in Ghana (a weak outcome) and to be so strong in advancing social change in Sierra Leone (a moderate outcome). Rather than a divergence in the outcome variable, which was initially expected, Ghana and Sierra Leone end up with relatively similar outcomes: good governance reforms produce
relatively strong institutions in perpetually weak states. The resulting context is one in which the Governments of Ghana and Sierra Leone are lauded for strong institutional frameworks even as informal activity remains widespread and governance authority fragmented.

**3.2 Institutional Diffusion and Domestic Political Change**

The above puzzle demonstrates the need for an institutional argument that explains how and why the diffusion of global environmental governance institutions (re)shapes domestic natural resource politics in ways that leads to the emergence of strong domestic institutions but simultaneously reinforces extractive conflicts. Conventional approaches tend to view this puzzle as a problem of institutional transfer. Fukuyama (2004: ix), for example, argues that while “institutions matter,” the international community remains uncertain about how to “transfer strong institutions to developing countries…well-functioning institutions require certain habits of mind and operate in complex ways that resist being moved.” Scholarly research has generally invoked the concept of institutional exogeneity to explain the uneven impacts of internationally led reform. In particular, scholars theorize that exogenously driven institutional change tends to be “inconsistent with local practices, requirements, and cost structures” (Meyer et al. 1997a: 154), and thus has difficulty reconciling itself within domestic institutional contexts. The CFA (2005: 61) emphasized this idea when it stated: “history has shown that development does not work if it is driven from outside.”
Sociologists like Meyer (2010) refer to this issue as decoupling whereas economists and political scientists view it more as a lack of complementarity between global and local institutions (Kuran 2011; Rodrik 2000, 2008). Other scholars from anthropology, geography, and political science view incompatibility issues through a lens of power, in which international actors and the state struggle to achieve their objectives because they do not account for domestic power relations that mediate institutional reform (Ferguson 1994).\textsuperscript{11}

While the existing literature universally recognizes problems associated with pursuing exogenously derived models to drive social change, it differs substantially on two related points. First, it disagrees as to whether such problems can be addressed through technical approaches that reconcile global and local institutions. Second, it is split about whether top-down diffusion of modern governance institutions is ultimately necessary or sufficient to drive real social change. This disagreement represents a fundamental tension in the academic literature about the mechanisms behind, reasons for, and impacts of institutional change in the Global South. One camp – consisting primarily of rational choice and neoliberal institutionalist scholars – contends that

\textsuperscript{11} Early work on this topic, which emerged from the legal pluralism literature, drew on concepts like “social law” or “living law” (see Ehrlich 1936) to postulate that the effectiveness of changes to the social fabric of society “depended on its being in accord with this living law” (Fitzpatrick 1983: 46). Price (1974: 174) similarly argued that “fundamental change is viewed as originating in society, with political initiative successful as an independent variable only when sociocultural conditions create a receptive environment.” More recent interdisciplinary scholarly literature recognizes this incompatibility between global and local institutions as a fundamental weakness of modern international development.
distorted policy outcomes are a function of poor fit between global and local contexts. Kuran (2011) and Platteau (2000a), for example, argue that where domestic contexts lack necessary institutional preconditions, externally introduced institutions may not enhance governance capacity or development outcomes. Rather, poor structural complementarity between global models and local context can produce parallel legal structures: one characterized by “modern” formal governance practices and one that remains entrenched in “local” informal custom (Dia 1996). Dia (1996) contends that this disconnect is largely structural in nature and can be reconciled by engaging in practices that promote the convergence of modern and traditional institutions. In other words, modern economic and political institutions can be reengineered to fit within local contexts while retaining their ability to deliver neoliberal solutions to development challenges. Rodrik (2000: 4) argues that “the question before policy makers therefore is no longer ‘do institutions matter?’ but ‘which institutions matter and how does one acquire them?’”

The underlying premise of these arguments is that while institutional change requires complements that reconcile global models within local contexts, institutional transfer is still necessary to modernize anachronistic institutional landscapes, stimulate economic growth, and produce social stability (Dia 1996; Kuran 2011). International organizations, especially the World Bank, have thus strenuously pursued the idea of local ownership (Donais 2009), capacity building, and institutional reconciliation to
promote convergence. Dia (1996: 2) argues: “a paradigm shift built on institutional reconciliation and convergence is of the essence. To perform effectively, institutions have to be both rooted in the local context and culture and open to outside challenges and influences.” From this perspective, structural reform drives social change by imposing constraints that reshape political power and processes on the ground and modernizing traditional forms of governance within neoliberal institutional frameworks (North 1990).

The other camp – consisting of critically-oriented scholars and historical institutionalists – argues that institutional change is a factor of historically contingent path dependencies, societal power dynamics, and social agency (Migdal 1988b, 1994). Agency-oriented arguments emphasize that structural approaches reduce questions about authority, power, and resource distribution to a “technical problem” of institutional design (Ferguson 1994: 256), and that real social change requires addressing complex power relations that mediate reform across multiple scales (Boone 2003; Mamdani 1996). Scholars contend that incorporating agency and power into theories of institutional change is critical for understanding why structural reforms often result in increased social exclusion and elite capture (Bayart 2009). Agents – especially political

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12 Bayart (2009) posits, for example, that extraversion has become a strategy for state formation whereby African states engage in state building by employing external resources derived from the international community. Such a strategy, according to Bayart (2009: 235), promotes predatory social relations –
elites – respond to structural reform in unexpected ways as they work to mitigate or take advantage of the distributional impacts of institutional change (Bayart 2009; Knight 1992; Li 2007a). This line of research thus highlights that rather than being subject to imposed constraints, domestic actors maintain the capacity to act on those constraints and reconceptualize them (Li 2007a). A number of studies invoke this approach to demonstrate how – despite a strong emphasis on transparency, accountability, and participatory governance – externally imposed reform has produced social exclusion and inequality in target populations that exacerbate informality (Hilson 2013; Reno 1995), impede or eliminate access to natural resources critical to livelihoods (Ribot & Peluso 2003), reduce governance capacity (Campbell 2006; Reno 1995), and/or reproduce systems of inequality that further marginalize vulnerable groups in society (Beevers 2015).

While structure and agent-oriented theories of institutional transfer have been instrumental in advancing our understanding of social change, recent scholarship has argued for a more integrative approach. I adapt Hironaka’s (2014) concept of “loose coupling” to integrate structure- and agency-oriented theories of institutional transfer and better explain impediments to social change in Ghana and Sierra Leone. Loose coupling suggests that “international institutions – and the cultural meanings they relay especially between state and society – in which individuals engage in a social struggle to control the distribution of resources.
– powerfully enable social change but not necessarily in a direct or tightly coupled way” (Hironaka 2014: 3). That is, “social change is driven by the development of institutional structures” because such structures create a platform through which to implement policy changes, contribute to the formation of new cultural meanings in society, and establish a cadre of social agents that work to institutionalize these changes (Hironaka 2014: 17). The concept of loose coupling thus provides conceptual space to understand how structural reforms reshape domestic political constraints but also how agents within these contexts influence institutional dynamics to reconcile global and local approaches to governance and limit the distributional impacts of reform. While Hironaka (2014: 5) maintains that loose coupling produces social change that is “halting, contested, and partial” and thus difficult to detect within concrete time periods, I argue that by focusing on the gaps between theoretical expectations and outcomes we can uncover causal relationships between institutional transfer and social change. In particular, I expect that the way agents work to institutionalize or resist structural reforms will be critical to explain relationships between natural resource governance and social conflict (Berk & Galvan 2009; Hironaka 2014).

Within this theoretical framework, I argue that the diffusion of global governance institutions has created structural conditions that compel domestic actors to respond in ways that intensify – rather than alleviate – extractive conflicts. I identify three interlinked mechanisms to explicate this argument: the emergence of a strong
regulatory state, the persistence of robust informal governance networks due to a failure to reconcile modern and traditional forms of governance, and the bargaining that ensues between domestic agents to mitigate the distributional impacts of institutional change.

In the first mechanism, policy reforms in Ghana and Sierra Leone have established a robust regulatory state that has reshaped domestic political interests, and simultaneously produced capable regulatory agents that serve to institutionalize such reforms within society. Domestic regulators in Ghana and Sierra Leone have attempted to drive social change by transposing global models at the domestic level rather than translating them to encourage institutional convergence. The desire to impose technocratic structures and processes rather than reconcile them with existing modes of governance, however, has produced regulatory institutions that primarily benefit elite producers and constrain the regulatory state’s ability to engage with the domestic politics of natural resource access and extraction. As a result, institutional reform tends to provide theoretical space but not actual place for non-elite domestic producers to engage with or participate in formal extractive processes. That is, state-controlled regulatory processes – while theoretically providing formal opportunities for non-elite access and engagement – fail to produce conditions that empower broad-based participation.

In the second, the exclusive nature of extractive regulation coupled with inflexible state institutions that remain primarily accountable to societal elites has
compelled non-elite actors to seek mineral access and grievance redress from existing networks of local authority that enable and legitimate natural resource access and use. The state remains only one of several options for obtaining legitimate access to mineral resources, meaning that multiple and conflicting sets of "rules-in-use" govern extraction. Ultimately, such institutional plurality undercuts governance gains achieved through formal sector reform, and the interaction between formal and informal sectors contributes to competition, conflict, and environmental degradation. This perpetuates what I term a “hollow state” in which state authority is continually eroded by informal bottom-up processes.

In the third mechanism, the political state is ultimately limited in the extent to which it can disrupt formal-informal competition to consolidate state social control because doing so would require reordering domestic power relations or renegotiating distributional benefits in ways that could endanger its ability to maintain political power or contribute to more substantial social conflict. This creates incentives for the political state to become complicit in domestic efforts to undermine institutional change. That is, overall governance remains weak in order to accommodate local governance networks that might otherwise threaten political order (Boone 2003; Migdal 1988b). Social change is thus impeded because structural reforms fortify domestic conditions that reinforce – rather than alleviate – fragmentation of authority. In the following section, I build on this argument to explain the emergence of strong institutions that are nevertheless
incapable of driving wider social change. By taking into account the way in which structural reforms introduce political constraints without reordering domestic relations of authority, I integrate structure- and agency-oriented theories of institutional change.

3.2.1 Reinforcing a Fragmented Political Terrain

Good governance reforms in Ghana and Sierra Leone present an opportunity to build on the work of scholars who seek to understand the consequences of institutional transfer between global and domestic contexts. While structural theorists continue to emphasize the constraining and constituting effects of international norms within domestic contexts (Checkel 1997), agency-oriented research has reinforced the idea that domestic elites engage in and capitalize on norm transfer to consolidate power and state-build (Bayart 2009). Such approaches fundamentally differ in how they conceptualize the underlying mechanisms that drive societal change. The approach taken here, however, requires integrating structure- and agency-oriented theories of institutional change, since empirically the domestic consequences of institution building call into question whether either approach, on its own, is appropriate to understand linkages between natural resource governance and conflict mitigation. First, structural reforms have resulted in the emergence of institutions and agents that have both constraining and constitutive effects at the domestic level, but which have effectively been impeded from propelling wider societal change. Second, elite agents have
simultaneously utilized institutional transfers in ways that increase and undermine state authority, which has amplified the uneven effects of structural reform.

To understand the political terrain that has emerged through the good governance agenda in Ghana and Sierra Leone, the approach taken here is predicated on explaining how structure and agency interact to produce governance outcomes – in other words, I aim to understand how domestic agents translate and transform global models as they are incorporated into the domestic context (Berman 2009; Krook & True 2012). I assume that the vertical transfer of institutions is an important mechanism by which to initiate social change, but that the way in which power and authority circulates in society has important consequences for the ability of these structures to actually deliver expected outcomes. Bridging state-society theory and international relations theory, this approach specifies how the diffusion of standards of best practice in global environmental governance can produce capable regulatory institutions while simultaneously reinforcing domestic conditions that contribute to natural resource conflict.

A key point in this argument is that structural reforms have substantially different impacts on elite domestic agents. In particular, my approach hinges on the idea that governance reform in Ghana and Sierra Leone has produced a political terrain in which the regulatory and political state are motivated by a distinct set of domestic incentives. On the one hand, regulatory agents are constituted by the transfer of global
norms: structural reform creates strong incentives for regulatory agents to reproduce global models at the domestic level in order to obtain the advantages of being linked to global society (Checkel 1997). The blurring of domestic-international boundaries effectively introduces an additional principal to the domestic context that serves to weaken ties between the regulatory and political state. On the other hand, institution building produces distributional impacts that must be compensated for at the domestic level. Political principals, while benefitting financially from neoliberal reforms that enhance the international standing of the state and increase foreign direct investment opportunities (Jackson & Rosberg 1982), remain primarily motivated by their ability to retain power, which requires appeasing domestic constituents that might oppose reform. As a result, political principals retain an incentive to both pursue and undermine institutional change. I argue that it is this fundamental split in incentive structures, as well as the agency of domestic actors to manipulate structural reforms to enhance distributional benefits, that contributes to a political context characterized by strong institutions but overall weak governance.

3.2.1.1 Emergence of the Regulatory State

Ghana and Sierra Leone’s environmental governance framework has gradually emerged as a result of top-down international pressure for reform and transnational harmonization. In the first instance, global policy actors have supplied institutional models and encouraged their adoption and implementation through financial and
technical transfers. Such models have served to “specify which actors have responsibility for solving … problems” and identify the “right or appropriate kind of solution” within domestic contexts (Barnett & Finnemore 2004: 34). I assume that these normative models powerfully shape governance in Ghana and Sierra Leone by “providing cultural models, scripts, norms, and even identities” (Hironaka 2014: 15). In the second instance, institutional change in Ghana and Sierra Leone has come to reflect both an internationalization of the statebuilding process and a disaggregation of the state – or the division of the state into its administrative and political components (Weinthal, 2002; Slaughter, 2005).13 Increasingly in the Global South, administrative institutions have emerged through a process of transgovernmental governance, which I define as direct interactions among subunits of different governments that are only partially monitored and controlled by the political principal (Keohane and Nye, 1974).14 Harmonization serves to partially distance regulatory agents from domestic political constraints in that the political principal, which effectively competes with global policy actors to direct statebuilding activity, becomes limited in the extent to which it can control its regulatory context. As a result,Europeanization may be desirable for regulatory agents, but it may not be implementable or desirable for political leaders.

13 Weinthal (2002: 54) describes this process as one in which transnational and third-party actors act as “agents of change within the realm of domestic politics.” I modify this argument slightly to suggest that it is domestic bureaucratic agents, whose interests and values are shaped within the global context, that serve as agents of change.

14 Slaughter (2005: 6), for example, argues that regulatory agents created through institutional reform “participate in many different types of networks, creating links across national borders and between national and supranational institutions.”
the newly designated bureaucratic class, integrated within global networks, finds that their professional objectives and interests are shaped primarily through their interactions with international policy networks (Slaughter 2005). Through these two mechanisms, the Governments of Ghana and Sierra Leone have thus undertaken structural changes to their governance contexts in order to better align themselves with global concepts of best practice in natural resource management broadly, and the minerals sector specifically. As such, the political boundary between international and domestic politics has blurred, with global norms and ideas serving as a critical foundation for domestic natural resource interests (Finnemore 1996a; Weinthal 2002).

I follow Levi-Faur (2011: 14) in defining the regulatory state as “a state that applies and extends rule-making, monitoring and enforcement via bureaucratic organs of the state” and which “claims a legitimate monopoly over the deployment and distribution of power through rule-making, rule-monitoring and rule-enforcement.” My assessment of relative capacity is based on two elements. First, regulatory structures in Ghana and Sierra Leone have been designed based on international blueprints: Ghana adapted its Environmental Protection Agency (EPA), for example, in the style of British regulatory agencies while Sierra Leone modeled its EPA directly on Ghanaian institutions (Appiah-Opoku 1997) (EPA-SL, Personal Communication). Indeed, the “environmental agency” is a global blueprint that has been championed by international development actors and transported to different countries around the world (Johnson
2016). Second, Ghana and Sierra Leone’s natural resource regulatory agencies are technically proficient in that they perform the functions expected of these regulatory bodies. This is neither to argue that these agencies have all the technical capacity and financial resources they require nor that they perfectly execute their mandates. Rather, my approach acknowledges that these agencies perform important regulatory functions in the natural resource sector (and do so relatively well), and thus play more than a ceremonial role in rule-making and rule-enforcement (DiMaggio & Powell 1983; Finnemore 1996a).15 For example, the mineral agencies in both contexts, responsible for overseeing the mineral licensing and permitting process, have been diligent in implementing and enforcing rules to privatize and outsource mineral extraction. The World Bank (1995) notes that the Minerals Commission in Ghana has been instrumental in developing mineral resources through attracting foreign direct investment, while Hilson (2002b: 150) argues “…since the launching of the Ghanaian Economic Recovery Plan (ERP) in the mid-1980s, it has almost been exclusively the Minerals Commission that has worked to encourage foreign investment in the Ghanaian mining sector…”

The regulatory state in Ghana and Sierra Leone has evolved within a larger global context which emphasizes “a move away from direct domination or law

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15 In sociology and political science, scholars argue that institutional diffusion and adoption often establishes structures whose purpose may be more about providing international legitimacy rather than solving problems on the ground (Finnemore 1996a; Weinthal 2002). DiMaggio and Powell (1983: 148) argue, for example, that “as an innovation spreads, a threshold is reached beyond which adoption provides legitimacy rather than improves performance.”
enforcement toward indirect rule through inventing technologies for the regulation of
conduct, technologies which reshape the institutions within which individuals regulate
their own conduct” (Braithwaite 2000: 225) (see also Foucault 2008). Perhaps the most
iconic example of this trend in global governance is the proliferation of the
Environmental Impact Assessment (EIA) – an environmental governance tool which
symbolizes governmentality, or the “conduct of conduct,” in the extreme (Li 2007b: 275).
EIAs require extractive actors to conduct their operations in conformance with specific
social and environmental standards, which the state assesses and monitors in its attempt
to mitigate the social and environmental impacts of extractive projects, enhance
transparency and citizen participation in decision-making processes, and resolve
potential disputes (Brown et al. 2013; Hironaka 2002). The proliferation of EIAs, as well
as other environmental regulatory institutions across much of the Global South, can be
viewed as a central aspect of the good governance movement in which the state is
expected to establish neoliberal practices that enable specific forms of natural resource
management to emerge (Braithwaite & Drahos 2000). The goal of reform is thus to shape
social conduct in ways that are perceived to enhance stability – particularly through the
establishment of institutions that promote transparency and accountability, and reduce
underlying motivations for conflict (Le Billon 2012). From a policy standpoint,
establishing these regulatory structures and processes are viewed as critical for
mitigating natural resource conflict and promoting domestic conditions that may ultimately enable peace.

In addition to creating standard bureaucratic structures, governance reform in Ghana and Sierra Leone has established a cadre of regulatory agents that staff regulatory structures, implement their mandates, and monitor enforcement and compliance. I argue that this professional class in Ghana and Sierra Leone has been integrated within global and transnational networks that have reinforced the institutionalization of specific normative values and practices at the domestic level. Regulators increasingly have secured opportunities to pursue education in foreign universities or attend international training courses, participate in global meetings and conferences on natural resource governance, and engage with regulatory counterparts in other states to exchange ideas and build capacity – all of which serves to reinforce specific modes of environmental governance (Slaughter 2005). As participants in the global policy community, domestic regulatory agents actively work to institutionalize global governance structures for two reasons. First, it solidifies their connection to global institutions and networks that can provide further support and legitimacy. Second, it reinforces their ability to control extractive resources at the domestic level and obtain strategic benefits (e.g., enhanced domestic legitimacy, international trips for ‘capacity building,’ or opportunities for lateral movement to work for international NGOs).
3.2.1.2 Creating Space Without Place

The internationalization of environmental governance in Ghana and Sierra Leone has contributed to the disaggregation of the regulatory and political state in two primary ways (Slaughter 2005). First, the regulatory state is financially and technically supported disproportionately by international organizations like the World Bank and UN, development actors like DFID and USAID, and international NGOs like Oxfam. In order to maintain existing and encourage new funding streams, regulatory agents tailor their outputs to conform with international benchmarks. For Ghana, obtaining external funding has become even more critical since it was designated as a “lower-middle income” country (WB 2016) – a designation which has cut off access to certain financial sources (#73 DFID January 2015). In practice, regulators effectively “answer to” international donors rather than the political state, and much of their reporting is aimed at communicating regulatory achievements to potential donors. Second, as members of the global policy community, domestic regulators’ interests are likely to be “defined in the context of internationally held norms and understandings about what is good and appropriate” in natural resource management (Finnemore 1996a: 3). In other words, regulatory agents have embraced and internalized global environmental governance norms and practices, and attempted to transplant these values within their respective domestic contexts. As such, domestic agents have become disciplined, in a Foucauldian
sense, to look upwards in consideration of global norms as opposed to downwards in consideration of domestic constraints in rule making and enforcement.

Multinational mining corporations have helped to reinforce this upward-looking, global focus by advocating for and reinforcing specific governance norms in the extractives sector. Increasing competition, transnational activism, and international regulatory efforts have encouraged large mining companies to become active agents within global and transnational policy networks in their own right, where they have developed and lobbied for particular corporate codes of conduct, social and environmental standards, and auditing and monitoring systems (Haufler 2001). Increased scrutiny around the extractives sector combined with evolving social and environmental standards have also encouraged many private companies to participate in global governance initiatives, like the Extractive Industries Transparency Initiative, where they can influence those regulations under which they might be bound. Mining companies tend to prefer uniform investment environments with predictable laws and policies because it helps alleviate the costs of tailoring operations to meet idiosyncratic policies across country contexts. Additionally, the implementation of regulatory standards gives mining companies a competitive advantage over domestic producers in that they have the financial resources to comply. As such, mining companies have worked closely with regulatory bodies to ensure that domestic regulation aligns with corporate standards.
Due in part to the global origins of their environmental institutions and the global nature of their agents, Ghana and Sierra Leone’s regulatory structures have become conduits for specific forms of natural resource management irrespective of local forms of authority or governance. That is, we have seen very little convergence, as Dia (1996) envisions it, between global and local forms of governance. Rather, regulatory agents have interpreted their mandate to consist of disempowering and replacing existing “customary” institutions with modern forms of regulation derived from global models. The regulatory state has thus focused primarily on imposing and strengthening structural reforms – through legislative policy and regulation – that invest it with technocratic authority for natural resource governance. In contrast, there have been few attempts to translate these initiatives in order to make them more legible or to encourage hybridization within the domestic context. By engaging in such a literal interpretation of global structural reforms, regulatory agents have been unable to construct shared societal understandings of natural resource governance, which has effectively impeded these agents from extending their reach within society.

Thus, in pursuing strategies of institutional reform, regulatory actors have been largely perceived by domestic actors – non-elite domestic producers in particular – as unresponsive to domestic constraints that prohibit formal compliance.\(^\text{16}\) In particular,

\(^\text{16}\) Hilson and Gatsinzi (2014) similarly argue that structural readjustments across multiple countries in Sub-Saharan Africa, which disproportionately affected non-elite actors because of the ways in which such
non-elites view licensing and permitting processes as barriers to formal entry – intended to supply elite actors with preferential access to resource extraction. Further, non-elite producers contend that the social and financial costs of formal regulatory compliance, including licensing, permitting, and reporting processes, are prohibitive. As such, I argue that while reforms have ultimately created a theoretical space for non-elite participation in extractive governance – especially in the form of mineral licensing and environmental assessments – they have not created an actual place. In other words, governance reforms have attempted to introduce structures and processes – i.e., representations of space – that enhance transparency, accountability, and participation in decision-making processes; however, such spaces, modeled on idealized concepts of democratic practice, fail to fundamentally transform representational space, which Lefebvre (1991: 33) defines as “lived space” or the concrete place in which individuals engage in social transactions within the confines of actual political, social, and cultural constraints.

3.2.1.3 The Role of Alternative Governance Suppliers

The inability of regulatory agents to reconcile diffused institutions in ways that are complementary to their domestic contexts has produced two important outcomes in Ghana and Sierra Leone. First, it has made regulatory processes accessible only to a reform generated wide-scale unemployment and poverty, directly resulted in the (large) expansion of the informal mining sector.
narrow group in society – those elites that already maintain ties to the global policy community (i.e., multinational corporations) or those with the social and political resources to comply with or sidestep formal regulation (i.e., foreign or domestic business elites). Second, it has effectively denied the realities of governing natural resource extraction in a subnational context where conceptions of legitimacy, authority, and power differ substantially from neoliberal models. In many Sub-Saharan African resource-rich states, power tends to be vertically oriented and based on networks of patronage (Herbst 2000). Alternate governance suppliers – particularly traditional or customary authorities – thus retain substantial and locally legitimate authority over natural resources access and distribution, as well as other local governance functions. Denney (2013: 7), for example, argues that “increasingly, it is actors beyond the state that are pointed to as the fulcrum of local governance and authority” and that in Sierra Leone “chiefs are, in some contexts, dominant, or at least significant, service providers to rural communities in particular” (Lund 2001). Additionally, regulators consistently appear to underestimate or dismiss the significant constraints that non-elite producers face in complying with regulatory reforms. Domestic small-scale and artisanal producers do not generally possess adequate social or financial resources to compete with elite actors or comply with formal regulations, and thus have seen themselves excluded from formal regulatory processes.
In the face of socially exclusive institutional reforms, many domestic producers – primarily non-elite artisanal and small-scale producers – have continued to utilize governance suppliers other than the state to provide extractive access and benefits (Figure 1). In line with Mamdani (1996), I argue that the reliance on alternate governance suppliers effectively bifurcates society into a formal-legal economy and an informal-illegal economy. However, an important distinction between the two cases should be made here. The informal-formal boundary tends to be starker in Ghana given the fact that its institutional context is better developed compared to Sierra Leone. In the eyes of the state, this makes the divide between “legal” and “illegal” mining activities unambiguous. However, in Sierra Leone the boundary between the two spheres is indistinct – meaning that the informal often seeps seamlessly into the formal and vice versa (Reno 1995). The political state, in other words, maintains the ability to coopt the regulatory state for its own objectives – something that occurs with less frequency in Ghana. I emphasize this distinction in order to note that in Sierra Leone governing through informal patronage networks, in some cases, can be viewed by political elites as a legitimate alternative to formal state processes. In Ghana, however, any mining activity not sanctioned by the state is acknowledged to be illegal by most actors.17

17 Here, however, we must draw a distinction between illegal and illegitimate. A number of actors may recognize their informal activity to be illegal, but it does not necessarily follow that it is therefore illegitimate. See for example, work on informal mining in Liberia by Van Bockstael (2014).
this situation is changing as Sierra Leone slowly becomes more institutionalized, it remains an important distinction between the two cases.

Informal networks of authority – operating parallel to legal frameworks – can supply more or less legitimate governance solutions where state policies result in inferior social outcomes (Moore 1973). In particular, elite informal actors draw on their control of complex social networks to grant access and exploitation rights, negotiate or mitigate the implementation and enforcement of formal rules, and/or expedite regulatory processes in return for favors.¹⁸ Such informal markets provide critical livelihood options to non-elites disadvantaged by neoliberal reform, as well as a degree of social protection and legitimacy vis-à-vis the state. Drawing on extensive qualitative field research, I contend that three types of alternative governance suppliers predominate in the Ghanaian and Sierra Leonean context: 1) political elites; 2) foreign and domestic business elites (including mining companies and private investors); and 3) rural elites (including traditional authorities, elders, and land-owning families) (Figure 1). The activity of these governance networks creates a robust informal sector that directly competes with the state for authority and legitimacy.

¹⁸ The CFA (2005: 31) highlighted this argument in Sub-Saharan Africa: “…Africa’s strength lies in social networks which are invisible to many outsiders. What can appear to donors as a form of anarchy is in fact structured; it is just that these are structures which Westerners are not trained to perceive. Africans survive – and some prosper – in the face of low incomes and few jobs in the formal economy. They do so using a complex network of social relations that make decisions about who gets start-up capital for small enterprises or interest-free loans in emergencies. These networks may be informal but they reveal how African people will get involved in activities where they can see purpose and direction. What is also clear is that, in many places, such networks are seen as alternatives to the state.”
Figure 1: Alternative governance suppliers operating in the informal economy

In terms of the first pathway, political elites continue to “straddle” the informal-formal boundary, as expected by agent-centered theories of institutional change (Bayart 2009). Again, this activity continues to be more visible (though not more frequent) in Sierra Leone in comparison to Ghana because such activity is viewed less as “corrupt.” These agents maximize distributional benefits from reform by retaining a foot in each sphere – a phenomenon which Reno (1995) identified as contributing to the rise of the shadow state. In particular, Reno (1995: 19) engages the concept of straddling to show how actors strategically manipulate or undermine imposed structural constraints to retain political control by increasingly using “non-formal state power, including their capacity to intervene in informal markets to seek new opportunities and resources for
clients.” Political elites thus draw on their control of informal patronage networks to solidify political loyalties and reinforce political control (Mesquita et al. 2003). In both contexts, such informal political activity has become an integral part of mineral extraction broadly and gold extraction specifically. Political elites, often acting through historically-rooted patronage networks that connect national and local levels (see Chazan 1983 for example), provide access and protection to informal miners in exchange for political loyalty in the form of votes, rents, and social stability. The Asantehene recently brought this issue to the forefront in Ghana when he publicly denounced Ghanaian politicians during the 2016 election for offering access and assistance to informal miners in exchange for votes. In Sierra Leone, politicians have continued to use informal patronage networks to resolve local disputes outside of formal regulatory channels.

In the second pathway, foreign and domestic business elites continue to provide access routes and some protection from state regulation in exchange for rents and/or stability. Informal Chinese patrons, for example, have become particularly important actors in this regard in the African context, often sponsoring illegal activity in exchange for extractive access and rents (Hilson et al. 2014). Ghanaian mineral regulators suggest that Chinese technology and financing in the informal sector has enabled “small-scale” miners to become “medium-scale” miners; indeed, the designation of a national anti-galamsey taskforce in Ghana was theoretically in response to the surge in Chinese
informal activity. Multinational mining companies have also granted limited forms of access to informal actors in order to create greater stability around their concessions. One representative noted that the mining company by which he was employed tended to ignore informal activity for the sake of peace until the miners crossed a certain threshold over which they could negatively impact annual production levels (Personal Communication, February 2015). Mining companies have also organized informal miners to operate on their concessions, ultimately negotiating private agreements through which the company can purchase mineral output for sale on the global market.

Finally, rural elites, which includes traditional authorities, elders, and land owning families, retain the most legitimate and widely recognized source of subnational power to regulate natural resource access and the distribution of benefits. These local authorities provide access to land and resources, and act to resolve disputes in exchange for rents (i.e., taxes, fees, or royalties) and to maintain traditional sources of power. Despite efforts to diminish or coopt customary sources of power, the state has been relatively unsuccessful in weakening the authority of customary institutions (Chazan 1983; Denney 2013). Rather, Mamdani (1996: 18) argues that governance patterns in much of the African context remain characterized by “institutional segregation” between urban and rural, elite and non-elite, and modern and customary authority. Thus, rural elites act as an alternative to the state that serve to legitimate resource extraction. In Liberia, Van Bockstael (2014) suggests that such informal arrangements allow artisanal
and small-scale actors to operate at various stages of legality by providing governance mechanisms that operate in parallel to the state.

In a context of fragmented authority, the state remains only one of several options for obtaining legitimate access to mineral resources, meaning that multiple and conflicting sets of “rules-in-use” govern extraction. Migdal (1988b) argues that crises of governance are about who has legitimate authority to decide how social life should be ordered. In resource-rich states like Ghana and Sierra Leone, this authority is spread across multiple players – in such “weblike” societies, social control is fragmented and heterogeneous (Migdal 1988b: 39). Thus, alternative governance networks carve out governance space from the state and serve to weaken its authority over natural resources. In effect, these networks tap into a cultural context characterized by vertically structured relations of power which shape who has a voice, when, and under what conditions. The vertical nature of power in Ghana and Sierra Leone means that most

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19 The CFA (2005: 30) corroborated this sentiment when it argued: “Africa’s past is one in which, in pre-colonial times, people grouped themselves through clans. Their culture was strong on kinship ties and a sense that the members of the group were responsible for and to one another. Many of these features, such as the relationship between elders and non-elders, persist today. Not least here is the ‘big man’ culture which requires a successful member of the clan to offer patronage to other members – a phenomenon which is rarely taken with sufficient seriousness by development policymakers. Patron-client relationships should not be dismissed as temptations to nepotism and corruption; they reveal something about African senses of community.” Dia (1996: 45), however, forcefully counters that such informal activity significantly affects the possibility for growth and development: “Because of these bureaucratic risks, most African entrepreneurs can never seek wealth just for themselves. They must also share a good deal of their wealth with the elite – either to buy their way into elite status (thus becoming active accomplices) or to buy protection for their remaining wealth. Thus more of an entrepreneur's wealth is used for buying political protection and privileges (access to rent situations) than for investments (to increase productivity and the wealth of the owners). The spending is calculated to enhance entrepreneurs' political leverage and influence
people require assistance of a network of actors – at the top of which sits a “big person” – to access natural resources and provide social protection (Price 1974). These styles of governance operate in ways that are antithetical to the regulatory state, which employs technocratic concepts like licensing, permitting, and regulation to manage access and extraction. Because the state has been unable to reconcile modern regulation with these more traditional modes of governance, however, structural reforms have reinforced the importance of informal networks for obtaining resource access and benefits. In other words, the regulatory state, which has been unable to effectively operate as a patron – in the most traditional sense of the word – has been deemed as exclusionary and impractical as a route to resource access.

3.3 Natural Resource Governance in a Fragmented Political Terrain

The diffusion of global governance models has thus reinforced a fragmentation of authority over natural resource governance in both Ghana and Sierra Leone. Because regulatory agents have struggled to promote convergence between global and local institutions, informal governance networks have emerged as critical alternatives to the regulatory state that can serve to circumvent exclusionary regulation, provide non-elite access to natural resources, resolve disputes, and distribute benefits. Domestic actors in order either to facilitate their access to coveted rent positions and other privileges or to buy protection against strict enforcement of disabling laws and regulations.”
have capitalized on allocations of agency and power in society to instrumentally shape the character of regulatory reform in ways that limit the distributional impacts of institutional change. This has effectively increased competition between formal and informal governance networks as plural rule sets contend for the authority and legitimacy to govern mineral extraction. In other words, the regulatory state has been unable to propel social change and increase state social control through the institutionalization of structural reforms. How, then, has the political state responded to the destabilizing social effects of institutional reform? In particular, why would it tolerate competing governance networks that act to carve out power and authority from the state? This section aims to explain the inability of the political state to disrupt patterns of governance that lead to social fragmentation at the subnational level. I contend that the political state faces strong incentives to tolerate the coexistence of plural rule sets that provide distributional advantages to competing networks, and that the state may be unable to shift this institutional equilibrium if it requires redefining distributional benefits in ways that could contribute to more substantial conflict.

### 3.3.1 The Selective Political State

Both Ghana and Sierra Leone tend to rely on executive power – rather than the regulatory institutions themselves – to address informal activity in the mining sector. In Sierra Leone, regulatory agencies – especially the EPA – have shown a greater willingness to use their authority to enforce the rules; however, the political state can
and often does intercede to disrupt the enforcement capabilities of the regulatory state (January 2016, Personal Communication). The assumption employed here, then, is that the political state is the key enforcement unit ultimately responsible for restraining the informal economy. Yet, the political state has only tentatively embraced its role as chief enforcer. Regulatory enforcement on the ground tends to be patchy, unreliable, and variable in its intensity in both contexts. That is, the state enforces swiftly and brutally in some local contexts but remains relatively indifferent to informal activities in others (Boone 2003). State-society theorists tend to see such patchwork enforcement as a function of the way in which power is distributed across society in that the state is less capable of asserting its authority in areas controlled by powerful local elites (Boone 2003; Herbst 2000). Others view a lack of enforcement as an issue of state capacity or political will. In the approach taken here, I build primarily on state-society theory to argue that the state faces a complex set of incentives that shapes when it can or will enforce its authority on the ground. In particular, I contend that the state can no longer look solely at domestic interests to make decisions about when it will act to consolidate social control: it also must account for international norms and the interests of global corporations that ultimately provide much needed state revenue in the form of side payments. Thus, the presence of external actors in the form of multinational corporations and global policy actors has served to change the political calculus between state and society.
Within this analytical framework, it becomes evident that unlike the regulatory state, which is primarily upward focused, the political state is constrained both by the international community from above and by its domestic constituencies from below. From above, the political state is required to adhere to global governance norms and implement structural constraints that provide international legitimacy (Meyer & Rowan 1977). In other words, being a state in the context of the current international neoliberal system requires compliance with specific rules and norms that signify juridical statehood. Third-party actors, especially multinational companies and international donors, encourage the political state to accede to and implement potentially destabilizing domestic reforms by dispensing side payments (usually in the form of foreign direct investment or technical and financial assistance) (Weinthal 2002). Such transfers generate direct benefits, particularly for political elites, and help provide sorely needed state revenue. Ultimately, side payments produce strong incentives for the political state to implement and enforce formal regulatory reform.

The primary goal of the political state, however, is ultimately to retain political power. The literature suggests that the redistribution of side payments as a form of compensation to political constituencies can help domestic elites alleviate the negative effects of institutional change (Baccini 2015; Weinthal 2002). However, the use of side payments in Ghana and Sierra Leone has been insufficient to mitigate the negative distributional consequences of reform. In particular, corporate taxes and mineral
royalties, which are theoretically channeled back to communities most affected by mining activities, have failed to alleviate the social and environmental impacts of extraction. The perception on the ground, in both contexts, is that extractive revenue remains primarily at the national level. Redistributive policies have also failed to stimulate economic opportunities at the subnational level in the form of providing livelihoods or job growth. The political state is thus required to compensate domestic actors for regulatory reforms in other ways – in this case, through the accommodation of informal actors that, if challenged, might otherwise withdraw political support or threaten wider social stability. As Mesquita et al. (2003: 26) note, “political survival is put at risk whenever leaders lack the resources to maintain the support of essential backers.” The political state is thus constrained from below by the interests of its domestic political constituencies.

This suggests that the political state must engage in a delicate balancing act: it must balance the expectations of the international community with the need to generate side payments from transnational actors to fill state coffers and the need to accommodate informal actors to retain political support. Under these conditions, it becomes unlikely that the political state will enforce its laws consistently or effectively. Indeed, we have seen the political state in both Ghana and Sierra Leone primarily pursue a strategy of selective enforcement on the ground – leaving some communities in relative freedom to govern themselves and others under intense state control. The level
of social conflict tends to vary in large part with how and when the political state chooses to enforce its authority.

### 3.3.2 Social Change and Natural Resource Conflict

The analysis thus far suggests that two elements emerge as critical for determining how natural resource governance reforms impact social stability in Ghana and Sierra Leone: 1) the intensity of competition between governance networks battling for natural resource control; and 2) the level of effort the political state is willing to exert to consolidate its social control. Using these two variables, I generate a typology to understand variations in patterns of conflict at local levels (Figure 2). We can imagine that competition for control of resource extraction correlates closely to Le Billon’s (2012) concept of environmental violence: the greater the competition for natural resources, the more social groups will have to contend with each other to maintain access to and mitigate the potentially negative social and environmental impacts of extraction. Thus, along the y-axis, social instability would be expected to increase according to the level of competition actors face on the ground. Social instability, however, is likely to translate into more violent conflict if and when the state attempts to eliminate competition in certain areas in order to consolidate its control. This is because the state is essentially attempting to eliminate compensatory mechanisms and require its domestic populations to deal directly with the destabilizing effects of institutional change. Such interference, measured along the x-axis, would seek to directly exclude competing groups that
depend on resource access to generate both rents and authority. This scheme yields four hypothetical conflict outcomes across local contexts (Figure 2).

![Figure 2: Typology: Patterns of social conflict]

A. Low competition and low state effort. In the first quadrant – noninterference – competition for extractive access is low and informal extractive activity is neither a threat nor a benefit to the political state. In these areas, we expect to see either no extraction or local artisanal extraction at the community level. In this context, the state tends not to engage with communities or impose its will; rather, the state allows local governance networks to govern extraction according to their own devices. As a result, we expect low levels of violent conflict. Although extractive activities do not preclude all
social conflict, it is not the type of conflict that would necessarily result in violence or invite intervention from the state.

B. Low competition but high state effort. In the second quadrant – interdependent – competition for extractive access is low but the presence of formal extractive actors, usually in the form of multinational corporations, is a strategic benefit to the state. As noted above, the state is dependent on private companies to generate revenue; thus, creating an enabling environment for formal extraction becomes a strategic priority. In these contexts, the state will invest more resources into protecting its interests by attempting to take power away from competing governance networks. Communities, for their part, may also view the private company as a strategic benefit where competition for extractive access is low. Corporate social responsibility programs tend to supply much-needed goods and services to communities adjacent to mining concessions, often in lieu of the state. This generates community dependence on private companies, which effectively serve as quasi-states. Conflict in this context, then, might range from low to medium depending on the extent to which the state is required to intervene and the relationship between the private company and local communities.

C. High competition and variable state effort. In the third quadrant – selective interference – competition for extractive access is high but the state may or may not
perceive such competition to be a threat. In some areas, we might see intensive competition between informal governance networks – between the Chinese and local miners, for example – but this activity may not coincide with formal extraction. The state, especially where political elites are informally backing extractive activities, thus may have little incentive to intervene on the ground. While social instability is still likely to be high given the potential for competition to contribute to both environmental violence (i.e., resource exclusion) and violent conflict (i.e., violence over access rights), it may not necessarily be perpetrated by the state. However, resource competition in state-controlled spaces like forest reserves may contribute to higher levels of state interference that could lead to violent conflict. Increasingly, forests have come to serve as an indicator of environmental performance for resource-rich states like Ghana and Sierra Leone. As a result, there is tremendous international pressure for forest conservation and states have invested relatively greater effort into their protection. Ghana, for example, established a military style enforcement unit to patrol and protect its forests. Additionally, forests serve as another critical source of extractive income, and the state has increasingly introduced legislative and policy changes to erode authority for forest governance from local elites and communities. In Ghana, especially, informal activity in forest reserves is viewed as a direct threat to state interests. This suggests that conflict level may vary across different types of resources, and in contexts where access to one
resource threatens another (i.e., inter-resource competition) we would expect medium to high violent conflict to result.

D. High competition and high state effort. Finally, in the fourth quadrant – direct interference – competition for extractive access is high and the state views informal extractive activity as a direct threat to its strategic interests. In this quadrant, direct competition between informal and formal actors predominates, and the state is required to take more direct action against competing governance networks in order to mitigate their power. As such, the state engages in a more confrontational role by deploying security forces or militarily supporting multinational companies in an attempt to eliminate extractive competition. In these contexts, the presence of an external actor – in the form of a private company – induces the state to engage at the local level where, under different circumstances, it may have avoided such confrontation. Specifically, the state must be seen as being able to ensure a stable investment environment in order to maintain international credibility and continue to attract foreign direct investment. However, mining companies frequently complain that the state offers its support for enforcement only reluctantly, which supports the assertion that the state continues to be constrained by domestic politics from below. As a result, we expect to see higher levels of violent conflict across these contexts as the state and multinational companies directly confront informal actors on the ground.
3.3.3 Society in Equilibrium?

Employing this conceptual framework, we can now explain why the diffusion of global governance structures has impeded rather than propelled institutional change. The introduction of structural constraints has effectively created space for domestic agents to institutionalize global models at the domestic level; however, these agents have been unable to transform such institutional models to simultaneously create place for non-elite actors to engage with or participate in formal extractive processes. In other words, we see little convergence between global and domestic models of governance. Institutionalization and wider social change has thus been impeded by domestic societal constraints – especially the fragmentation of authority at the subnational level and the agency of domestic actors to manipulate structural reforms in ways that mitigate distributional losses. According to theories of institutional change, the maintenance of plural rule sets provides critical “distributional advantages” to strategic actors, including the state (Knight 1992: 210). In order for the state to consolidate its authority and re-coordinate social activity within the formal governance domain, it would thus be required to engage in significant bargaining with its domestic constituencies over the redistribution of substantive social outcomes. That is, the state may be unable to shift this institutional equilibrium if it requires redefining distributional benefits that could contribute to a loss of political power or more substantial conflict.
In particular, shifting this system would require the political state to address two important issues of redistribution. First, if the political state attempted to embrace and enforce institutional change in line with the regulatory state – that is, cracking down on informal activity to the extent it is capable – it risks displacing vast numbers of people from the informal sector without an alternative livelihood source. This could result in a loss of political support or ignite larger-scale social conflict. Indeed, many actors in Ghana attributed the NPP’s loss of power in the 2008 election and higher incidences of conflict to policies which attempted to constrain illegal mining. In pursuing formalization, the state would also attempt to subsume all other networks of authority beneath it, significantly limiting traditionally powerful roles, especially with regards to customary authorities, land owning families, and financial patrons. From a domestic perspective, then, the state appears unable to fully embrace and enforce formal institutional change. Second, if the state moved to better accommodate informal actors by lowering the barrier to the formal entry, it could risk undermining its commitment to the “inclusive institutions” established through reform (Acemoglu & Robinson 2012). This could potentially disrupt the state’s ability to generate side payments from multinational companies because implementing broad formalization policies would require the state to renegotiate many of its international mining contracts in order to

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20 There are an estimated 1,000,000 informal artisanal miners or “galamsey” in Ghana alone (Hilson & Potter 2003).
make land available to domestic producers. It would also threaten the political state’s international standing in terms of its ability to engage in “good governance” – which could significantly impact the availability of donor funding. From a global perspective, then, the state appears unable to fully support more inclusive domestic extractives policies.

As a result, the state is stuck in something that looks socially optimal, but which may enhance risk of conflict and environmental degradation in the long term. The political state exploits a legally plural order and a strategy of selective enforcement to accommodate global actors, maintain critical sources of revenue, compensate domestic actors for the destabilizing effects of institutional reform, facilitate stability through the provision of informal livelihoods, and minimize the risk of large-scale conflict. Additionally, it appeases powerful alternate governance suppliers that retain substantial authority for resource governance at the subnational level. However, the political trade-off is that the institutional plurality undercuts governance gains achieved through formal sector reform, and the interaction between formal and informal sectors contributes to conflict and environmental degradation. In particular, the friction that occurs from the interaction of plural governance networks aggravates vulnerability and conflict risk, especially within particular social groups, with potentially serious consequences for environmental sustainability and larger-scale civil conflict in the long-term. The resulting political terrain is thus representative of a “hollow state” in which
the state efforts are continually eroded by informal bottom-up processes. That is, despite Ghana and Sierra Leone’s efforts to build environmental governance capacity, the state has not actually minimized its risk of natural resource conflict nor increased its ability to address environmental degradation. Rather, the state’s governance capacity remains consolidated at a superficial level, ultimately unable to extend farther into society to propel social change.

In order to ascertain whether my argument is useful in explaining extractive conflict in Ghana and Sierra Leone, in chapters 4, 5, and 6 I explore the empirical implications of my approach. If my argument accurately depicts the political terrain that has evolved through the diffusion of global models, four things should be evident: We should see the emergence of a robust regulatory state in Ghana and Sierra Leone in response to global governance initiatives, as well as regulatory agents that institutionalize diffused structures according to global rather than domestic principles. The institutionalization of these structures should create rules and processes that make it more difficult for non-elites to participate in formal governance processes. Non-state governance suppliers should provide alternative access routes in place of the state. And the political state should engage in a strategy of selective enforcement on the ground in order to accommodate actors both at the international and subnational level.
4. Regulation Rising: The Regulatory State in Ghana and Sierra Leone

Scholars spanning numerous disciplines have endeavored to understand how institutions created within the global policy arena are diffused downward to autonomous nation-states, as well as the process by which those institutions are adopted and implemented. The literature on new institutionalism – World Polity theory, in particular – has provided critical insight into the mechanisms by which institutions are created and disseminated within a “global culture” (Meyer 2010; Meyer et al. 1997a; Meyer et al. 1997b). In the environmental realm specifically, Meyer et al. (1997b: 626) argue that the “rise of environmental organization occurs with the expansion of a worldwide scientific culture and the creation of a broad world organizational structure.” Within this global “agora” (Stone 2008: 34), business, policy, and government elites interact at talks, meetings, conferences, conventions, congresses, and summits to construct governance norms and standards that are then channeled downward to states through financial incentives and aid conditionalities (Connolly 1996; Hilson 2013; Weinthal 2002), coercion (Moravcsik 1997), shared narratives and discourses (Anderson 1991; Autesserre 2010; Ferguson 1994), taught preferences (Finnemore 1996a, 1996b), calls to advocacy (Keck & Sikkink 1998), cascades (Finnemore & Sikkink 1998), and metanorms (Conca 2006; Marion Suiseeya 2014). Much of this work has argued that the vertical transfer and domestic uptake of global institutions is a critical governance
process that explains organizational and institutional isomorphism across different
country contexts (DiMaggio & Powell 1983).

The purpose of this chapter is to trace the emergence of the regulatory state in
Ghana and Sierra Leone – focusing on mineral and environmental regulation.
Examining the global standards that shaped Ghana and Sierra Leone’s institutional
framework provides a framework for understanding the institutional and organizational
isomorphism across both contexts. In particular, it helps explain the emphasis on state
controlled formal regulation of the minerals sector and the use of environmental and
social assessments, as well as information-sharing platforms, to address and resolve
potential conflict. The policy environment in Ghana and Sierra Leone has been shaped
through interaction with global processes, and the Governments of Ghana (GoG) and
Sierra Leone (GoSL) have constructed nearly identical regulatory structures and
processes to govern their minerals sector. Both countries embarked on extensive
legislative changes in response to structural adjustment programs in the 1980s and 1990s
in order to encourage foreign direct investment (FDI). The World Bank argued that
states liked Ghana and Sierra Leone needed to minimize the “political risks” for
multinational companies by ensuring that the “rules of the game” would not change
over time, especially rules regarding mining rights, taxation agreements, and access to
mining codes that emerged from this turn toward “good governance” in mineral
extraction: while “first generation” mining codes, like those enacted in Ghana in the early 1980s, primarily focused on issues like security of tenure and tax incentives for foreign companies, later “third generation” mining codes, like those enacted in Sierra Leone in the 1990s, expanded to encompass social and environmental impacts and rights. These third generation mining codes, in turn, reflected the emergence of environment (and development) as a global priority following the UN Conference on the Human Environment in Stockholm (1972) and the UN Conference on Environment and Development in Rio (1992). The discourse that resulted from these global meetings effectively linked social issues to environmental issues through processes like environmental impact assessments (EIAs) (Hironaka 2002; Hironaka 2014). Finally, the academic literature on the resource curse, as well as linkages between natural resources, development, and conflict, further emphasized the need to reform natural resource governance institutions to incorporate principles like transparency, participatory governance, and state accountability. Throughout the 2000s both Ghana and Sierra Leone adopted global standards like the Extractive Industry Transparency Initiative, the African Mining Vision, and the Kimberley Certification Process; created new structures to support their institutionalization within the domestic context; and redoubled commitments to transparent governance.

Ultimately, the policy context that has evolved in Ghana and Sierra Leone mirrors the ongoing global discourse in extractive governance that places a transparent
and accountable state at the center of formal mineral governance processes that promote opportunities for sustainable development through benefit sharing and participatory governance. Focus in particular has been on standardizing access through regulations and providing opportunity for voice through regulation and information sharing. A comparison of the policy environments that have evolved in Ghana and Sierra Leone is useful on several accounts. First, the fact that Ghana and Sierra Leone have adopted many accepted “international best practices” to govern their minerals sector provides an opportunity to understand whether and how these institutions can deliver on their promises to promote sustainable development. Natural resource governance reform has been cited as necessary to further promote human security (Matthew et al. 2009; Matthew et al. 2010b), and theoretically alleviates conflict potential by reducing environmental degradation, providing mechanisms to address grievances and enhance cooperative action, and more equitably channeling resource benefits (Brown et al. 2013; Jensen & Lonergan 2013; Matthew et al. 2009). However, much of this literature assumes the theorized benefits of reform can be achieved simply by transplanting global models into domestic contexts. How these models institutionalize within domestic contexts and whether this impacts expected outcomes is a question that has been much less explored, especially through empirical work (Beevers 2011). Second, Ghana has no history of
large-scale conflict and is more deeply institutionalized. Further, there is no expectation that Ghana would ever see large-scale conflict as the international community still perceives greed arguments as a major driver, and there is “not enough money and resources to cause conflict or [to have] conflict spread to the greater part of Ghana” (#34 World Bank October 2014). Thus, we would expect to see more clearly the governance gains to be earned by engaging in institutional reform. Indeed, Ghana created its first environmental structure in 1974 after the first United Nations conference on environment and was the first country to undergo structural adjustment in sub-Saharan Africa in 1983. Thus, Ghana represents a most likely case scenario: if policy reforms are to promote sustainable development and deliver opportunities for conflict resolution anywhere – we would expect such outcomes to occur in a context like Ghana (George & Bennett 2005). Finally, much of the reform undertaken in Sierra Leone has been modeled on reforms initially implemented in Ghana. This provides an opportunity to compare institutional outcomes, and to understand if there are conditions present in either case that either promote or inhibit expected benefits. The next two sections review – in finer detail – the structural changes that have been made in Ghana and Sierra Leone.

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1 While Ghana has never experienced large-scale conflict, it did experience major unrest throughout the 1970s. Between 1969 and 1982, Ghana transitioned through seven different political regimes and most of those transitions occurred as a result of a political coup. Ghana regained stability once Flight-Lieutenant Jerry Rawlings took power at the head of the Provisional National Defense Council in 1981 (Chazan 1983). The massive instability created by this political turmoil, as well as the severe economic decline, did debilitating the functioning of the state. However, since undergoing structural adjustment in 1983, Ghana has experienced no major political unrest (Herbst 1993).
4.1 Ghana’s Institutional Landscape

4.1.1 Emerging from Colonialism

In 1957, Ghana began independence with a well-developed infrastructure, a skilled civil service, and large amounts of foreign exchange (Herbst 1993). However, the optimism which greeted the end of the Colonial era began to subside in the early 1960s as Ghana’s first elected but increasingly dictatorial leader, Kwame Nkrumah, began to intensively interfere with the state economy. In the minerals sector, Nkrumah nationalized five of the six gold mines in operation, and granted the sixth mine in Ashanti favorable land leases in exchange for minimal royalties (MC 2015). After a coup in 1972, the state acquired a 55% interest in this sixth Ashanti mine (MC 2015). During this period, the GoG also passed the first Minerals Act of 1962, which vested all forms of mineral deposits in or on Ghanaian lands in the state (Nyame & Blocher 2009). This was a substantial change from the relatively open access pre-colonial and colonial era in which individual landowners could claim a portion of the minerals extracted on or within their land (Nyame & Blocher 2009; WB 1992). As a result of these changes, gold production fell dramatically between 1960 and 1983, and the leading mining companies suffered from a lack of investment and recapitalization (MC 2015). Herbst (1993: 14) argues that the “Ghanaian state interfered with its economy to an extent perhaps unequaled even in Africa” and that “almost from the beginning, Ghana was a case study of all that could go wrong with an African state.”
Nkrumah was overthrown in 1966 in the first of what became a series of coups. The seven civilian and military governments which followed between 1969 and 1981 focused extensively on developing a powerful administrative state that could effectively disburse goods and services in order to maintain political control. Political leaders employed an increasingly powerful bureaucracy, as well as newly nationalized industries, to establish the state as the “major employer of modern-sector workers and as the main, if not the sole, appropriator and allocator of social wealth in the country” (Chazan 1983). Ghana’s state apparatus was thus increasingly characterized by a “centralization of decision-making powers to the executive and personalization of authority” (Chazan 1983: 47). The emphasis on establishing a strong administrative bureaucracy came at the expense of developing national and local representative structures. Chazan (1983: 54) argues that between 1969 and 1979, “formal participatory devices at the state level virtually disappeared.” Linkages between the state and society thus remained weak and underdeveloped, and non-formal institutions at the community-level continued to serve as the primary locus of decision-making within society. Chazan (1983: 63) contends that local community institutions “emerged as viable institutions in the sense that they were stable over time, rested on a solid social base, had specific resources at their disposal, and performed certain functions.” The government possessed few mechanisms by which to penetrate local institutions to “cultivate a rural constituency” or to gather information (Herbst 1993: 84), which led to a deep and
durable divide between state and society (Boone 2003; Migdal 1988b). A robust patronage network emerged to help citizens access the remote and often exclusive state apparatus. As these patterns of institutionalization solidified, the state over time came to be seen not as a governance supplier but as a marketplace through which goods, services, and patronage necessary to enhance local priorities could be obtained (Austin 1976; Chazan 1983). As a result, the “remoteness or proximity of the central government, measured in terms of goods and services, was therefore determined by criteria related to local satisfaction” (Chazan 1983: 66).

Despite this major political upheaval, Ghana managed to participate in the first United Nations Conference on the Human Environment in Stockholm, Sweden in 1972. Hironaka (2014: 24) has argued that this conference and the subsequent creation of the United Nations Environment Program “provided the foundation for the modern global environmental regime.” More specifically, “while a handful of Western nation-states had nascent environmental regimes in the late 1960s, the majority of countries developed environmental policies in response to the formation of international environmental institutions” (Hironaka 2014: 51). Ghana’s participation during a time of intense domestic change demonstrated how important it was for the newly independent African countries to be seen as active participants in global society. Indeed, Ghana’s participation in the 1972 conference has been claimed to signify “the beginning of the country’s desire and willingness to make concerted and conscious efforts at the
management of its environment” (GoG 2014b: 1). Ghana created its first environmental agency two years after Stockholm through the Environmental Protection Council Decree of 1974 (NRCD 239). A former director of the Ghana Environmental Protection Agency noted, “the conference helped actualize the decision [to create a council]. There was movement within the scientific community for a body to handle environmental issues a few years before the conference” (#16 GhEPA October 2014). The Environmental Protection Council had no regulatory functions. Rather, it served as an advisory body to the GoG responsible for coordinating both domestic and international issues related to environment (Bird & Avoka 2007). A senior EPA official, emphasized that in establishing the EPC the GoG recognized that “every Ghanaian has the right to a safe environment” and assumed the burden of ensuring those rights (#37 GhEPA October 2014). This view reflects the extent to which “the elaboration and specification of environmental protection” became a “basic purpose of the nation-state” through the 1972 Stockholm convention (Frank et al. 2000: 100).

4.1.2 The Period of Structural Adjustment

Facing precipitous economic decline by the early 1980s, Ghana became the first country in sub-Saharan Africa to undergo structural adjustment (Hilson 2004). Ghana launched its Economic Recovery Program (ERP) in 1983, a series of economic and institutional reforms designed by the World Bank and IMF, to reduce government spending, deregulate and privatize Ghanaian industries, discontinue subsidies and
support services for domestic agriculture, and create an enabling environment for foreign direct investment (FDI) (Hilson & McQuilken 2014: 108). Hilson (2004) argues that the mining sector featured prominently in reforms as this sector was viewed as the key to economic recovery. Under the World Bank’s guidance, Ghana revamped its mineral legislation to embrace the central premise that the state should act to facilitate the emergence of a robust private sector (Campbell 2006). This required clearly articulated mining codes that emphasized “the role of the private sector as owner and operator, and of government as regulator and promoter” (WB 1992: 53). In 1986 Ghana passed a new Minerals and Mining Law (PNDC Law 153), which significantly reduced taxes, royalties, and other duties for foreign companies, improved security of tenure through a formal licensing process, and enabled foreign companies to retain huge amounts of foreign exchange earnings offshore (Akabzaa 2000; Campbell 2003). Ghana also established a Minerals Commission through the Ghana Minerals Commission Act (Act 450) in 1993. The commission was assigned responsibility “for the regulation and management of the utilization of the mineral resources of Ghana and the co-ordination of the policies in relation to them” (GoG 1993b: 2(1)). These legislative changes sought to encourage large-scale mineral exploration and extraction that could ultimately serve as an engine for economic growth and development.

Herbst (1993) notes that in undertaking the economic and political reforms required by the World Bank and IMF, Ghana was assured that large amounts of funding
would be made available through international donors. Indeed, Hilson (2004: 67) notes that “external debt in sub-Saharan Africa has increased fourfold since 1980, when the Bretton Woods Institutions began implementing SAPs.” Reforms also succeeded in attracting substantial foreign direct investment and activity in the mining sector: between 1983 and 2004, Ghana witnessed increases in the annual production of gold (500%), diamonds (300%), manganese, and bauxite (more than 600%) (Hilson 2004). The Ghanaian Minerals Commission estimated that total foreign direct investments into the mining sector amounted to an estimated US $11.5 billion between 1984 and 2011 (MC 2015). The Commission ultimately concluded that “except in 2004 when it was (briefly) overtaken by the cocoa sector, the mining sector has become the highest gross foreign exchange earner from 1991 to date. Currently the sector contributes 17.5% of total corporate tax earnings, 28.3% of government revenue…and about 6% of GDP” (MC 2015: 2). Proponents of structural adjustment argue that this increased capacity to borrow, as well as the revitalization of the mineral economy through foreign investment, prevented Ghana from experiencing total economic collapse.

While conceding the significant macroeconomic gains achieved through structural adjustment, opponents to structural adjustment argue that the institutional reforms introduced through recovery and stabilization programs produced a number of negative outcomes. First, liberalization policies disproportionately hurt the rural poor and resulted in a plethora of changes that increased rather than reduced uncertainty in
rural areas (Bryceson 1999). In order to deal with widespread unemployment, changes to rural production and marketing infrastructure, the elimination of subsidies, the disassembling of support services, and the loss of smallholder competitiveness in a liberalized agricultural market, rural actors rapidly diversified their livelihood activities in order to generate income-earning alternatives (Bryceson 1999; Hilson & McQuilken 2014). These changes resulted in an expansion of informal markets – particularly in the minerals sector (Hilson 2013; Hilson & McQuilken 2014; Reno 1995). Hilson (2013: 62) contends that by far “the most important activity to grow under reform has been informal (unlicensed) artisanal and small-scale mining (ASM): low-tech mineral extraction and processing.” A number of studies have supported this conclusion by demonstrating that those people made “redundant” during structural adjustment – including teachers, large-scale mine personnel, bookkeepers, accountants, and public sector workers – all turned to the informal gold mining sector for employment (Hilson & Gatsinzi 2014; Hilson & Potter 2005).

The Ghanaian state struggled to accommodate this emerging economic sector because it had focused disproportionately on promoting large-scale development projects to drive growth to the exclusion of small-scale and artisanal actors. Further, small-scale and artisanal miners were often perceived as incompatible with large-scale mining, and seen as operating outside the margins of state control (Duffy 2005; Fisher 2007). This points to the second major outcome of structural adjustment: a legislative
and regulatory bias toward multinational large-scale mining that restricted local access to natural resources. Indeed, an early critique of structural adjustment argued that the central purpose of reform was to open the mineral economy in the Global South to foreign multinationals rather than drive local development (Hilson 2004). A CeSIS (2014: 10) report argues that the passage of the Minerals Law in 1986 “paved the way for surface mining at a scale that was never witnessed before.” The massive loss of livelihoods that resulted from the confiscation of agricultural lands propelled scores of unemployed people into the illegal mining economy. Only in 1989, three years after the implementation of the Minerals and Mining Law of 1986, did the Ghanaian state formalize (i.e., legalize) the small-scale and artisanal sector. Specifically, the GoG ratified the Mercury Law (PNDC Law 217), the Small-Scale Gold Mining Law (PNDC Law 218), and the Precious Minerals Marketing Corporation Law (PNDC Law 219). This legislation set aside the small-scale and artisanal sector for Ghanaians with the intent to promote “a foreign-financed, large-scale sector on the one hand, and an indigenous, small-scale economy on the other” (Hilson 2013: 57). However, Hilson (2013: 60) notes that by this time “significant portions of land had already been demarcated to foreign multinational gold mining and mineral exploration companies, many of which were hundreds of square kilometers in size.”

Land scarcity forced informal artisanal miners

A Gold Fields employee remarked: “Early in the 1990s – when the country began economic reforms – it started attracting mining investors. Ghana was carried away demarcating concessions to large companies –
onto large-scale concessions and agricultural lands, as well as into forested areas and protected reserves (MC 2015), perpetuating the stereotype of informal miners as criminals or rogue entrepreneurs resisting state control. It also increased competition and conflict between various groups vying for limited access to natural resources.

Finally, the presence of large-scale mining companies failed to spur local economic development (Campbell 2003). The World Bank took a highly sectoral approach to mineral reform in Ghana: its main concern was attracting FDI and reducing investment risks for private mining companies in order to drive growth. As such, legislative changes failed to address intra-sectoral linkages to other parts of the economy either through local employment generation or value-added processing of minerals (Campbell 2003). In addition, processes for assessing the potential social and environmental impacts of large-scale development projects remained underdeveloped.

Hilson (2004: 67) argues, “large-scale mining activities have not only taken land out of the hands of peasant-farmers and artisanal miner operators, but have also caused excessive environmental damage to the very rivers, soils, and vegetation on which thousands of Ghana’s rural inhabitants depend for their survival.” This pattern of development generated significant resentment as foreign mining companies were for example, it gave 208 km² to Gold Fields. They did not consider small-scale mining despite the fact that it is an ancient business. The first mistake was not to recognize small-scale mining. They came up with small-scale mining law but [still] require a license. Many apply to the Minerals Commission but then realize that their application is on a large-scale concession” (#58 Gold Fields November 2014).
provided with preferential land access and financial incentives, but generated relatively few benefits for local actors and contributed to social displacement and environmental degradation. Campbell (2003: 7) observes that structural reform in Ghana is thus “particularly striking because it illustrates that a mining boom may be accompanied by only modest mining employment as production increases and a much lower contribution to GDP than might have been expected.”

4.1.3 Good Governance in the Minerals Sector

In the early 1990s, as the international community – led by the World Bank – embraced a discourse of “good governance” (WB 1989), Ghana began to address deficiencies associated with the first generation of structural adjustment programs – especially environmental and social issues. This governance turn may be attributed to three major events. First, “sustainable development” emerged as a critical concept in the run-up to the UN Conference on Environment and Development held in Rio de Janeiro. They are entitled to a healthy and productive life in harmony with nature.” In addition to promoting sustainable development, the conference also cemented the environmental impact assessment (EIA) as the standard tool for assessing environmental (and social) impacts related to development. EIAs were first developed in the United States in 1969, and featured in the first UN Conference on the Human Environment in 1972 (Hironaka 2002). However, it was not until 1989 when the Word Bank mandated “an environmental assessment for all projects that may have a significant negative impact on
the environment” that EIAs emerged as a tool of global import (WB 1991: 66). Other financial institutions, such as the Asian Development Bank and the African Development Bank, followed suit by recommending that developing nations adopt and employ EIAs (Hironaka 2002). Principle 17 of the Rio Declaration cemented the international importance of the EIA by declaring that the “environmental impact assessment, as a national instrument, shall be undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority” (UNEP 1992). In parallel with these developments, the World Bank emphasized in its report on mining in Africa that there is an “important need for social impact analyses for mining projects and developments” – a conclusion based in large part on its experience implementing structural reform in Ghana (WB 1992: 49).

Ghana, in particular, took several steps to embed these governance norms at the domestic level directly after its participation in the Rio Conference. In 1993, it established the Ministry of Environment and Science, ensuring that environmental issues were represented at the cabinet level (#37 GhEPA October 2014). A senior official at the EPA argued that environmental issues gained increased priority after Rio because it resulted in changes that established a “political level commitment” (#37 GhEPA October 2014). In particular, “sustainable development [was] part of the buzzword” and there occurred after the Rio conference a “shift from natural resources to natural
resources management” (#37 GhEPA October 2014). Ghana also drafted its first Environmental Policy after the conference in 1992, which “identified a restructured lead agency (the Environmental Protection Agency) to drive the process towards sustainable development” (GoG 2014b: 2). This resulted in the Environmental Protection Agency (EPA) Act of 1994 (Act 490), which transformed the Environmental Protection Council into its current form. The EPA Act established the EPA as the lead environmental and social body in Ghana, and made environmental offenses criminal and enforceable through the court system (Euronet 2012). The EPA was empowered through the Environmental Impact Assessment Regulations of 1999 (LI 1652). This legislation centered around the internationally accepted precautionary principle as a core governance principle (Beck 1999), and established an environmental permitting system that employed environmental impact assessments as the standard tool for assessing the impact of development (i.e., mineral) projects. Further, it integrated social impact

3 In particular, the Environment Policy first passed in 1992 and later revised in 2014 indicates that “Ghanaians are entitled to an environment that is not harmful to their health and well-being and are enjoined to have the environment protected for the benefit of present and future generations through reasonable legislative and administrative measures. In order to achieve this and to meet the development needs of our people, sustainable development is essential. Sustainable development requires an integrated and coordinated environmental management policy. In formulating a new environmental policy for Ghana therefore, all stakeholders must be involved through the process at local, district, regional and national levels” (GoG 2014b: 1).

4 This legislation was amended by the Environmental Assessment (Amendment) Regulations of 2002 (LI 1703).

5 The legislation also defined quality standards and indicators for a variety of sectors to facilitate compliance and enforcement, made environmental assessment mandatory for all development activity, and required environmental management plans for all existing polluting operations (Euronet 2012). In addition to the precautionary principle, Ghana adopted a “polluter pays” stance to mineral sector development. The new Mineral Policy specifically names the polluter pays principle and states that where environmental
assessments within the EIA process, which reflected a definition of the environment in Ghana as “embracing not only the biophysical environment, but also the social, cultural, microeconomic and institutional conditions that constitute the human habitat” (GoG 2014b). This institutional change reflected an increasing emphasis not only on mitigating impact, but on instilling transparent processes that employed principles of free and prior informed consent as a way to provide citizens with opportunities to voice grievances or discontent. The insertion of the EPA/EIA as a primary tool to assess social and environmental impacts after Rio strongly supports the assertion in the literature that environmental governance structures tend to diffuse outward, emerging first within powerful countries (like the United States) and subsequently becoming incorporated in the policy environments of less powerful countries (Frank et al. 2000; Hironaka 2002).

The designation of the EPA and widespread employment of EIAs became a critical component of mineral licensing in Ghana, as the EPA is required to grant an environmental (and social) license through an assessment process in order to validate any mineral license (but especially large-scale licenses). The EIA Department head at the EPA argued that the “EIA is a multidisciplinary tool [and compared] to other systems, [I

6 Frank et al. (2000) argue in particular that “the nation-state has become environmentalized as a whole set of policies, once practically invisible in state organizations, now appears to be de rigueur.” Hironaka (2002) shows that the number of environmental impact assessment laws grew from 1 in 1969 to more than 50 by 1990. This suggests that the “nation-states embraced this new organizational form quickly and broadly, especially in the years around the two United Nations conferences on the environment – 1972 and 1992” (Frank et al. 2000: 99).
am] not aware of anything better” (#39 GhEPA November 2014). He continued, “before EIA – mining companies did whatever they wanted. Now because of the EIA [there is a] need for reclamation. We have controlled environmental pollution using this tool” (#39 GhEPA November 2014). In addition to pollution control, the EIA process provides a standard procedure through which affected communities can theoretically voice concerns about project impacts and advocate for greater benefits. As a grievance redress mechanism, the EIA process has helped drive demands for improved corporate social responsibility (CSR) in and around mining communities. Indeed, CSR has become an important part of the EIA process: companies are routinely asked to develop strategies to mitigate and offset social impacts by providing compensation and other development opportunities for affected communities. The GoG has further developed CSR guidelines for companies within the sector to propel development in mining communities. Maconachie (2014: 276) argues that in resource-rich regions it has become “clear that mining and oil and gas companies are now increasingly being expected to secure ‘a social license to operate’” and that “in many cases, companies are often expected to take on responsibilities for which governments have traditionally been liable.” Mining companies in Ghana routinely complain that they now serve as “quasi-states” to mining communities as they are expected to provide goods and services in place of the state. From 2009-2013, companies in Ghana spent US $110,702,765.14 on various CSR projects (GhEITI 2014b: 7).
Second, this period of intense institutional change was made possible by the fact that President Rawlings initiated a transition to civilian rule in 1990. From 1990 to 1993, Ghana worked its way back to a two-party democracy, holding presidential and parliamentary elections in November and December 1992 to cement the transition. This period opened up a space for structural, legislative, and regulatory reform, a substantial amount of which occurred in all governance sectors throughout the 1990s. A draft constitution was prepared in 1991, ratified in 1992, and entered into force in 1993. Mirroring the rise in importance of sustainable development during this time period, Ghana’s new constitution included provisions that aimed to drive development through the sustainable exploitation and regulation of natural resources (GoG 1992). In particular, the new Constitution called for parliament to provide for the establishment “of a Minerals Commission, a Forestry Commission, Fisheries Commission and such other Commissions as Parliament may determine, which shall be responsible for the regulation and management of the utilization of the natural resources concerned and the co-ordination of the policies in relation to them” (GoG 1992: §269). As a result, Ghana established a slate of new regulatory bodies and passed a substantial amount of new

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7 Article 36(9), for example, states: “The State shall take appropriate measures needed to protect and safeguard the national environment for posterity; and shall seek co-operation with other states and bodies for purposes of protecting the wider international environment for mankind” (GoG 1992).
legislation, much of which reflected the turn toward sustainable development. Bird and Avoka (2007: v) remark that a notable design characteristic of these new “semi-autonomous governance agencies” was the fact that they were enabled to create their own “Internally Generated Funds – as part of the so-called ‘service culture.’” Ultimately, the establishment of these regulatory agencies – based largely on global norms – and their financial insulation from the central consolidated budget provided the preconditions for the emergence of the regulatory state – composed of politically disaggregated regulatory bureaucracies and agents. This sense of independence has deepened over time as regulatory agencies have increasingly relied on their own internally generated funds as donor funding and government support declined. This point has important ramifications for the efficacy of regulation in Ghana, which will be discussed at length further in this chapter.

This period of change was also remarkable for the state’s efforts to close the state-society divide that emerged after independence through decentralization. The 1992 Constitution and the Local Government Act established Metropolitan Municipal District Assemblies (MMDAs or District Assemblies) responsible for “the development, ———

8 In relation to mining and the environment, during this period the GoG passed the Minerals Commission Act, 1993 (Act 450); the EPA Act, 1994 (Act 490); the Timber Resources Management Regulations, 1998 (LI 1649); the Environmental Assessment Regulation, 1999 (LI 1652); and the Forestry Commission Act, 1999 (Act 571). The government also passed the Lands Commission Act, 1994 (Act 483) to “promote the judicious use of land by the society and ensure that land use is in accordance with sustainable management principles and the maintenance of a sound ecosystem” and the Local Government Act, 1993 (Act 462).
improvement and management of human settlements and the environment in the
district” (GoG 1993a: §10(13)[e]). Environment officers within local councils were tasked
with regulating all environment issues outside the scope of the national-level EPA
(Hirons 2014). District Assemblies were also empowered to issue their own development
permits in conjunction with the Minerals Commission and the EPA to control and
influence local development (GoG 1993a: §49[41]). Through the District Assemblies, the
state hoped to achieve two objectives. First, District Assemblies would provide a source
of information about what was happening in the rural areas to facilitate political control.
Second, district assemblies would replace the local community – controlled by
traditional authority structures – as the locus of local political decision-making. These
structures became a cornerstone of Ghana’s decentralization policy initiated in 1988
under Rawlings military rule, although they have struggled to achieve their objectives
(Herbst 1993). An international consultant for USAID remarked, “planning authority
theoretically resides with district assemblies” but “this does not happen in reality” (#73
LOGODEP January 2015). Rather, the District Assemblies have tended to run as parallel
governance structures that sometimes complement but mostly compete with existing
local institutions – particular the chieftaincy structures.

Finally, over the course of the 1990s the international community solidified its
discourse on good governance in the minerals sector, which promoted state
formalization and regulation as key mechanisms by which to stimulate growth while
preserving social and environmental rights (WB 1992). The World Bank’s 1992 publication, based largely on its experience implementing reform in Ghana, laid out its strategy for mining in Africa, emphasizing the need for social impact analyses, environmental studies and plans, and specific regulatory structures that could standardize access to mineral rights (WB 1992). In particular, the Bank encouraged African countries to follow accepted environmental practice as set by the United States, Canada, and Australia, noting that “such standards will perhaps need to be modified for local conditions” (WB 1992: 48). In addition, the Bank outlined “key characteristics of a mining code which will meet the requirements of most investors while safeguarding the national interest” (WB 1992: 21). Of critical importance was the establishment of a modern licensing process, which would “apply equally to all investors, public and private, domestic and foreign” and “clearly specify the ownership of mineral resources (for example national or provincial ownership) and vest a single authority with the power to grant exploration and mining rights” (WB 1992: 21-22). With regards to artisanal mining, the World Bank concluded that the “challenge is to successfully modify these factors and provide incentives so that artisanal mining will be encouraged, become regularized, grow and produce more revenue for both miners and government” (WB 1992, 44). The emphasis on standardizing regulation over all forms of mineral extraction – large- and small-scale as well as artisanal – encouraged numerous African countries to implement “rigid policy frameworks and legislation with the aim of
legalizing the industry” (Hilson & McQuilken 2014: 111), despite increasing recognition across the international community throughout the 1990s that the artisanal and small-scale sector in sub-Saharan Africa was a poverty driven sector that differed substantially from large-scale mining (Fisher 2007; Hilson & McQuilken 2014; ILO 1999; Labonne 2014). In the artisanal and small-scale sector, formalization attempted to establish administrative and technical structures and processes to bring previously ‘illicit’ activities under the rubric of state control (Fisher 2007). However, formalization policies like the 1989 Small-Scale Gold Mining Law in Ghana suddenly made informal and unregistered artisanal and small-scale miners illegal, a fact which further marginalized rural actors and served to impede formalization of activities rather than encourage individuals to comply with new licensing requirements (Hilson & McQuilken 2014). Maconachie and Hilson (2011: 298) argue that these policies ultimately produced a “‘tri-sector’ economy comprised of foreign-propelled large-scale gold mining; licensed small-scale gold mining; and a burgeoning illegal artisanal gold mining industry.” The legacy of these policy choices remain a critical issue in Ghana’s current policy landscape.

4.1.4 New Wars and the Resource Curse

The emergence of the “new wars” throughout the 1990s, many of which were directly tied to the illicit extraction and sale of natural resources, further re-shaped concepts of ‘good’ natural resource governance within the international community (Kaldor 2012). Specifically, the transparent management of natural resource revenue,
which had been implicated in financing civil conflict, became a critical component of good governance initiatives. In addition, the emerging academic scholarship on the resource curse, which continued to explore linkages between natural resource abundance and conflict, further underlined weak natural resource governance as a critical source of instability in the Global South (Auty 1993, 1994, 2004; Collier & Hoeffler 2004; Ross 1999). Nem Singh and Bourgouin (2013b: 30) argue that the resource curse discourse focused “largely on the absence of political processes that built trust, representation and accountability among resource-rich states.” These lines of research facilitated a global understanding of transparency and accountability in natural resource revenue management as a critical component of peacebuilding and stability (Le Billon 2012; Nem Singh & Bourgouin 2013a). Haufler (2010: 53) notes, in particular, that the “global promotion of transparency for the extractive sector—oil, gas and mining—has become widely accepted as an appropriate solution to weak governance in resource-rich developing nations.” These developments became especially significant for Ghana, which discovered large deposits of offshore oil in 2007. The state – determined not to follow in the conflict-ridden footsteps of its oil-producing neighbor Nigeria – enlisted a range of international actors to help design transparent management policies for the oil sector. Over time, these principles infiltrated all aspects of natural resource management in Ghana so that transparency and accountability became embedded as standard concepts in the minerals, forestry, fisheries, and oil and gas sectors.
Ghana embedded transparency and accountability concepts within its poverty reduction strategy papers, a set of documents that highlighted national development priorities in order to coordinate donor funding. These documents, assembled by the World Bank and IMF, with inputs from host governments, served to replace structural adjustment programs in guiding development priorities (Hilson & McQuilken 2014: 114). Ghana produced its first Poverty Reduction Strategy paper (2003-2005) as a condition for development assistance under the IMF-World Bank-supported Heavily Indebted Poor Countries (HIPC) debt relief initiative in 2002. Both this document and its successor – the Ghana Poverty Reduction Strategy II (2006-2009) – served to mainstream “the Millennium Development Goals (MDGs) and other international commitments relevant to poverty reduction into the national agenda” (GoG 2010: 3). Ghana also re-committed itself to the principle of sustainable development under MDG 7, and attempted to elevate the environment sector within the political context by mainstreaming environmental principles through “strategic environmental assessments” in addition to EIAs (Bird & Avoka 2007). The strategy papers that followed these first documents – the Ghana Shared Growth and Development Agenda I (2010-2013) and II (2014-2017) – maintained an emphasis on participation, transparency, and accountability “in the exercise of political, economic, and administrative authority for ensuring peace, stability, and national cohesion” (GoG 2010: 122). These policy documents, as well as the fact that the 2000 election resulted in the first peaceful
democratic change in power, cemented Ghana’s place as a structural adjustment success story and a beacon of participatory democracy in an otherwise blighted African landscape.

In addition to making policy commitments to principles of good governance, Ghana was an early adopter of multi-stakeholder global initiatives like the Extractive Industries Transparency Initiative (2002) and the Kimberley Process Certification Scheme (2003) that emerged from the new wars discourse. At the root of all of these global initiatives was the idea that transparency and information sharing across multiple stakeholder groups (especially government, industry and civil society) could serve as a critical mechanism to promote state accountability and reduce the risk of conflict. Ghana signed on to the Extractive Industries Transparency Initiative in 2003 and the Kimberley Process Certification Scheme in 2003. The EITI principles, in particular, emphasized the importance of multiple stakeholders in the oversight of extractive governance, and encouraged the disclosure and dissemination of resource revenue information as well as discussion of the reported revenues across multiple governance levels to drive policy reforms. The Ghana EITI specifically committed to “develop and implement a revenue disclosure, oversight, and publication mechanism that ensures that Ghanaians get all relevant information on the extractive industry’s revenue and expenditure to enable

them [to] hold government accountable” (GhEITI 2009: 2). By far, the Extractive Industries Transparency Index has had the biggest impact on the Ghanaian policy context. While the Ghana EITI (GhEITI) initially focused solely on the minerals sector, it expanded in 2010 to include the oil and gas sector. In addition, the state is currently considering integrating the timber sector. Its implementation also launched a number of legislative initiatives in the natural resource sector including the GHEITI Bill, which attempts to provide a legal framework to enhance transparency and accountability in relation to governance of the natural resources sector of the economy (S. Manteaw, EITI, April 2015). The GHEITI draft Bill “expands the scope of the current EITI to cover the entire natural resources sector (i.e., minerals, petroleum, forestry, and fisheries) and the revenues that the state receives from the industries in the sector” (SBS-NREG 2013: 45). While international actors and civil society anticipated that this bill would be submitted to Parliament in 2013 (SBS-NREG 2013: 45), it is currently still on hold as the state opposes a provision in the bill that makes GhEITI a legal entity that can sue or be sued. In addition to the GHEITI Bill, the GoG recently passed the Mineral Development Fund Bill, 2016 (Act 912), which “redesigned [revenue] sharing scheme – and establishes Mining Community Development Fund” to improve the development possibilities of mining royalties (#43 MC November 2015). There is also a push within civil society for

10 S. Manteaw (EITI April 2015) highlights that the GHEITI bill was stimulated mostly by international forces, including the Dodd Frank Act (2010), new requirements by the EU to disclose Government payments for extractives and logging (2013), and updated EITI standards declared in Sydney in 2013.
the state to pass a Mineral Revenue Law to better manage mineral sector revenue.

According to Publish What You Pay Ghana, this regulatory framework for engagement has reduced tension and mistrust between governments, civil society, and extractive actors (both foreign and domestic) (S. Manteaw, EITI, April 2015).

These efforts reflect a seemingly broader commitment in Ghana, based on EITI objectives, to internalize global transparency principles. Some civil society actors claim that in adopting the EITI, the GoG fully embraced the philosophy that natural resources are a public good to be managed by an agent (the state) on behalf of a principal (society) (S. Manteaw, EITI, April 2015). As a result, the EITI has served as as a “platform for broader efforts in strengthening and monitoring resource governance and management at both the national and local government level” (GhEITI 2014b: 4). Indeed, the EITI “effect” has driven broader public-sector reform. Ghana became the first country to extend EITI to subnational levels to track revenue flows and expenditures (#72 MoF January 2015). In particular, the District Assemblies were required to report on how they use mining royalties, which has led to recommendations and spending guidelines at the subnational level (#72 MoF January 2015). The state has also created a number of other information-sharing platforms in the image of the GhEITI to manage its emerging oil and gas sector. For example, Ghana’s Public Interest Accountability Committee (PIAC) – instituted as a watchdog committee to track oil revenues in 2011 – functions in similar ways to the larger GhEITI (Van Alstine 2014). The adoption, implementation, and
fortification of institutions that promote transparency as a mechanism to enhance accountability within the domestic context demonstrate the extent to which these concepts have become “accepted styles” of governance in resource-rich states, and their usefulness in curbing the negative impacts of resource exploitation.

Information sharing platforms like EITI and EIAs have thus become a central feature of Ghana’s natural resource governance context. These tools have been credited for reducing natural resource conflict and improving the capacity of the state to respond to community grievances. This has been accomplished in two ways. First, the state has used them to strengthen central-periphery linkages. These platforms establish ready-made channels for participation at a variety of levels, and the state has emphasized its commitment to transparent and accountable governance by its willingness to provide forums for citizens to voice ideas and concerns. Information sharing platforms have thus become something the state can point to as an indicator of its wider commitment to good governance standards. Second, these regulatory tools help the state minimize expectations about the amount of development that will result from the extractives sector. A common complaint by government actors is that society expects too much from its natural resources. By making natural resource benefits more transparent, the state aims to manage the grievances that may result from unmet expectations.
4.1.5 Good Enough Governance in Ghana?

Ghana has consistently remained a leader in environmental governance in sub-Saharan Africa. It has remained out in front of most other countries in terms of adopting new global standards and incorporating those standards into domestic frameworks. By 2005, the GoG had constructed a modern and robust regulatory framework that focused intensively on transparent regulation to address issues of resource access and benefit distribution. Specifically, the state had created a formal mineral licensing process, mandated the use of EIAs, and enhanced participatory governance through other information sharing platforms. In addition, Ghana updated its mineral law again in 2006 to conform with the standards established for newer “third generation” mining codes (Campbell 2009). The Minerals and Mining Act, 2006 (Act 703), which repealed the 1986 law and the Small Scale Gold Mining Law, maintained its emphasis on formal regulation of small- and large-scale mining and further incorporated environmental issues into the licensing process. However, despite the numerous reforms undertaken to conform with global standards since the 1970s and persistent efforts to be a trailblazer in natural resource governance, Ghana remained characterized by environmental degradation and social conflict. In its Country Environmental Assessment published in 2007, the World Bank argued that natural resource degradation was a substantial problem for the Government and estimated that the cost of Ghana’s degradation was almost 10% of its GDP (WB 2007). In particular, Ghana faced a booming informal mining sector, large-
scale deforestation, and widespread social conflict in resource-rich areas. The resource commodity boom that emerged in 2003 further spurred informal activity as actors sought to take advantage of high international commodity prices. The international community argued that these problems were indicative of persistent weak governance in the natural resources sector, and that “the experiences of past interventions was that projects and programmes had not touched the fundamental causes of degradation, namely the poor governance of the environment and natural resources” (SBS-NREG 2013: 97). The answer to this crisis – as it had been throughout the 1990s – was to continue to focus on improving the state’s capacity to deliver effective governance (Grindle 2004).

To address the issues raised in the Country Environmental Assessment, the World Bank designed a sector budget support project with France, the Netherlands, the UK, the European Commission, and the World Bank to “strengthen environmental governance and management and to mainstream environmental policy dialogues” (SBS-NREG 2013: 97). In particular, project objectives focused on enhancing law enforcement in the forestry sector, improving revenue collection, management, and transparency in the mineral sector, decentralizing mineral and environmental processes to facilitate formalization, addressing social conflict in forest and mining communities, and mainstreaming environment into economic growth by supporting the implementation of Strategic Environmental Assessments and Environmental Impact Assessments. Under
NREG, the GoG revised its sectoral policies to reflect an integrated approach to environmental protection. This work produced a slew of new legislation and policies, including a new Minerals Policy in 2016 and a revised Environmental Policy in 2014. These changes further embraced formalization of the natural resources sector through the implementation and enforcement of standard regulatory tools, as well as participation and information exchange as a mechanism by which to hold government accountable. The Minerals Policy, in particular, specifies that a standard system of allocating rights [through licensing] “enhances the capacity of the mining authorities to administer the system efficiently and transparently. This, in turn, forms the basis for accountability to Parliament and the people” (GoG 2016: 24).

The choice to pursue a sector budget support design – through which donors would provide money to the Ministry of Finance who would then allocate to the EPA, Minerals Commission, Forestry Commission, and the Ministry of Land and Natural Resources based on government priorities – reflected a principle that had emerged in the 2005 Paris Declaration on Aid Effectiveness to enhance “country ownership” of the development process (WB 2014). By providing sector support to the Government of Ghana as a whole, and not to specific programmatic activities, the Natural Resources and Environmental Governance project aimed to enhance a sense of ownership over how money was disbursed to regulatory agencies and project outcomes. While the NREG program provided critical support for Ghana’s regulatory agencies, overall it
struggled to enhance the political prioritization of natural resource governance in Ghana. Rather, the Government of Ghana continued to slowly reduce its funding and support to its regulatory agencies over this period. As a result, the Minerals Commission, EPA, and Forestry Commission increasingly relied more on their own internally generated funds as well as international sources of funding like NREG to support their mandates, project implementation, and enforcement. As a result, Ghanaian regulatory agencies continued to look primarily to international actors, rather than the central government, for financial and technical support. An NREG project report notes that NREG funding covered 42% of Forestry Commission expenditures, about 67% of the Mineral Commission and about 63% of the EPA from 2009 to 2011 (SBS-NREG 2013: 14). In addition, regulatory agencies increasingly tailored their project outputs to reflect international standards in environmental governance in order to encourage development partners to continue funding project activities. This meant that Ghana’s regulatory bodies spent a disproportionate amount of time producing and reforming policy, which did very little to address urgent problems on the ground. An NREG evaluation noted that “there was general agreement from development partners and civil society that policies that were produced were of high quality, though there were widespread concerns about the ability of agencies to fully implement them” (WB 2014: 52). As a result, when all the development partners except the European Commission pulled funding for NREG, the regulatory agencies lost a significant source of funding,
and programmatic activities significantly declined. Over the course of my fieldwork, regulatory agents expressed optimism that international actors would reinstate the NREG program, and continued planning regulatory activities as if international funds would be reinstated.

Through NREG, the Ghanaian government also attempted to address the environmental and social issues associated with the growing informal mining sector by focusing extensively on formalization. In particular, regulating small-scale mining and controlling environmental degradation became top priorities in the second Ghana Shared Growth and Development Agenda (2014-2017). A key objective in the GSGDA II was to “promote sustainable extraction and use of minerals resources and strengthen institutional and regulatory frameworks for sustainable natural resource management” by enforcing “compliance with relevant regulations and guidelines on small-scale mining; and improving technical capacity of small-scale miners to enhance efficiency and sustainability in their operations” (GoG 2014a: 67-68). The willingness to embrace ASM reflected increasing recognition within the international community that informal mining was a poverty-driven sector and a critical source of rural livelihoods. A number of high-level policy meetings attended by a variety of international actors on the artisanal and small-scale sector helped enhance ASM as a priority issue within mining countries. Additionally, new initiatives like the Africa Mining Vision encouraged African states to balance large- and small-scale mining to drive sustainable and
equitable growth. In particular, the AMV “promoted the transparent, equitable and optimal exploitation of mineral resources to underpin broad-based sustainable growth and socio-economic development” (AU 2009: v). AMV member countries were encouraged to embed AMV principles into mining codes and natural resource policies.

Ghana signed on to the AMV in 2009 and the Minerals Commission subsequently produced an Artisanal and Small Scale Mining (ASM) Framework in 2015, which aimed to establish “an unambiguous support for a regulated small scale mining sector that is freed from the stigmatizing and criminalizing overtones of much political and media discussion about small scale mining, and the pejorative use of the term ‘galamsey’” (MC 2015: 33). The policy framework emphasized the need to regulate and assist the ASM sector, preserve it for Ghanaians, and develop a more efficient taxation system. To do so, it proposed the “enforcement of laws governing small scale mining in Ghana”, the decentralization of the small-scale licensing process (including environmental permits), the use of SEA and EIA in mining guidelines and procedures, and the identification of land suitable for small-scale activities on which cooperatives could be established (MC 2015: 19). However, to implement these provisions the Minerals Commission requested $19,087,760 (or 75% of total required funds) from NREG, a funding source which no longer existed, with only 25% coming from the government. Unsurprisingly, as of 2014, seven potential small-scale sites had been identified but no cooperatives have been established, little exploration work has been
done, and no mining had begun on any of these sites. Despite these difficulties, the government remains theoretically committed to balancing mineral access between large- and small-scale actors. The 2016 Mineral Policy funded by NREG re-committed the government to recognizing ASM as a critical sector to support rural livelihoods and simplifying the procedures for obtaining a small-scale license. However, the Minerals Policy stressed that formalization was the only option available to ASM actors, noting: “nothing in this policy document should be construed to equate small-scale mining with illegal mining. While encouraging small-scale mining in approved areas, Government will protect bona fide mineral rights holders from interferences in their operations by unlicensed persons” (GoG 2016: 24).

The policy context in Ghana has thus closely followed international developments in natural resource governance from the early 1970s to the present. The Ghanaian state has increasingly assigned itself the sole responsibility for natural resources and constructed laws and policies – largely shaped by international standards – that support this role. It has also implemented processes that reflect modern concepts of regulatory governance and adopted global initiatives that reflect norms of transparency and accountability. As an early adopter of many of these initiatives, Ghana has gained a reputation for being a strong regulator with good institutions; indeed, it has become a model in the region to be admired and copied. The next section outlines
the policy evolution of Sierra Leone, which was one West African country explicitly modeled after Ghana.

### 4.2 Sierra Leone’s Institutional Landscape

In contrast to Ghana, Sierra Leone is a country attempting to rebuild after a brutal eleven-year war. A comparison of Ghana and Sierra Leone is useful for two primary reasons. First, many of the reforms Sierra Leone initiated at the end the war in 2002 were modeled explicitly on Ghana. This provides an opportunity to examine how similar institutional reforms perform in a poorly-institutionalized conflict versus well-institutionalized non-conflict country. Much of the literature examining environment and conflict assumes that the presence of a strong state and robust institutions is necessary to drive sustainable development and/or mitigate resource-related conflict (Matthew et al. 2010a). As such, we would expect Ghana – which has had a longer time period over which to institutionalize – to be in a better position to benefit from reform.

Second, the recent nature of the reforms undertaken in Sierra Leone provide an opportunity to examine the actual process of institutionalization. While institutionalization is widely seen to be a necessary precursor of the modern liberal state (Paris 2004), the process of statebuilding can be inherently contentious and may ignite rather than dampen latent conflict. In particular, institutionalization creates new spaces and structures for competition over power, resources, and rights (Migdal 1988a, 2001; Reno 1995). This section on Sierra Leone’s institutional landscape thus looks explicitly at
the process of post-war regulatory change to understand how post-conflict rebuilding in
the natural resource sector has affected domestic politics.

Sierra Leone achieved independence in 1961. The regime that emerged from the
colonial system was characterized by a deep division between the urban center of
Freetown and the rural provinces. This rural-urban divide was historically rooted in a
British system of indirect rule in which ‘native systems’ were harnessed to maintain
political order. Under the British, “chiefs” were given the authority to facilitate British
administration in 1896: they implemented ordinances, collected taxes, and controlled
subjects (Denney 2014). In exchange for assurances of social peace, the British supplied
customary leaders with access to state resources and informal markets (Reno 1995).
This early system of administrative rule produced an enduring political economy at
independence in which an urban elite (based in Freetown and the Western Area)
maintained political control by channeling informal accommodations through elite
networks and extracting rents from the rural peasant bloc (Reno 1995). This urban-rural
divide became more entrenched over time as an increasingly centralized and coercive
state in Freetown redistributed resources and revenues obtained from resource
extraction in the provinces to urban elites without simultaneously providing
government services (Denney 2014). Fanthorpe and Gabelle (2013: 10) argue that the
“concentration of power and wealth in the capital city of Freetown and the deprivation
of rural areas” remains a fundamental feature of Sierra Leone’s political economy.
The political parties that emerged around independence reflected this rural-urban divide. The Sierra Leone People’s Party (SLPP), dominated by members of chiefly families and representing the southern peasant bloc, won the first national elections in 1957. However, the SLPP was divided along regional and ethnic lines and largely viewed as a hegemony of elites that had done little to reform the colonial legacy (Cartwright 1970). As a result, the SLPP lost the national election to Siaka Stevens of the All People’s Congress (APC) in 1967, which drew much of its support from wage workers, trade unions, petty traders and labor migrants in Freetown and the north (Fanthorpe & Gabelle 2013). Stevens, seeking to enhance his political authority, worked to debilitate his political rivals using violence and intimidation (Beevers 2011). In 1971, Stevens replaced a Westminster-style government with a republican constitution and executive presidency, and in 1972 he suspended elected local government (Fanthorpe & Gabelle 2013). National elections in 1973 and 1977 were characterized by large-scale intimidation and violence. By 1978, an increasingly authoritarian Stevens had established a one-party system. Reno (1995) argues that Stevens maintained political control through the construction of a shadow state in which natural resources were used to fortify a patronage-based political economy. Specifically, party elites manipulated the distribution of diamond mining and export licenses to generate revenue and political support (Reno 1995). In addition, Stevens and his supporters channeled natural resource revenues and other benefits (i.e., tax breaks) to clients in return for loyalty. This system
employed elite accommodations – financed through the conversion of public assets to private wealth – to maintain political order. Like Ghana, the state under Stevens became the primary vehicle through which citizens accessed services, wealth, and privilege. In particular, Stevens’ control of the diamond trade helped fuel an import economy that channeled benefits to the urban elite at the expense of peasant producers: “foreign credit, an over-valued currency, and government price controls on basic commodities supported an import economy in foodstuffs, fuel, and luxuries” (Fanthorpe & Gabelle 2013: 13). In addition, Fanthorpe and Gabelle (2013: 14) note that by the end of the 1980s “the Sierra Leone government was employing 70% of the nation’s salaried workers, most of them located in Freetown, and absorbing more than 80% of domestic credit.”

Stevens’ patronage system began to unravel in the early 1980s as Sierra Leone was faced with a global recession that undermined its primary commodity exports, rising oil prices, and international aid austerity in the post-Cold War era (Beevers 2011; Fanthorpe & Gabelle 2013). Stevens agreed to undertake austerity measures to obtain an influx of revenue from the IMF in the 1980s; however, these reforms increased shadow state activity while simultaneously eroding the governance capacity of state institutions. Reno (1995: 131) argues that “citizens bore the brunt of creditors’ austerity plans as well as the humiliation of seeing more foreigners join Stevens in the exploitation of what, at independence, had almost appeared to be their country.” Faced with economic and political instability resulting from a lack of state revenue through which to finance his
elite networks, Stevens retired in 1985 and appointed J.S. Momoh as his successor. However, Momoh struggled to regain control of the parallel economy which had emerged under Stevens, and he was ultimately “unable to prevent regime insiders from brokering private deals with foreign businesses to exploit the country’s natural resources, especially diamonds, fisheries, and timber” (Fanthorpe & Gabelle 2013: 14). The loss of tax revenue combined with political reforms undertaken by Momoh to secure IMF loans forced the Sierra Leonean government to a virtual standstill by the late 1980s. Fanthorpe and Gabelle (2013: 15) argue that “with the capacity of the state to maintain law and order undermined from within, the Revolutionary United Front (RUF) insurgency of March 1991 had a far greater impact than it might otherwise have done.”

Sierra Leone’s civil war, which raged from 1991 to 2002, has been extensively analyzed from a number of perspectives and will not be covered in detail here (Beevers 2011; Denney 2014; Keen 2005; Reno 1995; Richards 1996). Of concern to this analysis are the policy prescriptions that emerged from the cessation of hostilities. Academic research points to two underlying factors in the onset of Sierra Leone’s civil war, each of which have emerged as a crucial aspect of the rebuilding process. First, natural resources – diamonds specifically – were a central feature of the conflict that allowed various fighting factions to fund their activities through diamond revenues (Maconachie 2010). The international community, in particular, emphasized the greed-based nature of Sierra Leone’s civil war, and highlighted the need to domesticate transparent and equitable
processes for managing natural resource revenues in the post-war context (Beevers 2011). Beevers (2011) demonstrates how this particular focus resulted in policy prescriptions that aimed to securitize and liberalize Sierra Leone’s natural resource sector. It also resulted in the proliferation of global transparency initiatives like the EITI and Kimberley Certification Process. Second, the failure of both formal (i.e., state) and informal (i.e., customary) governance processes to provide goods, services, and an equitable distribution of benefits within society created grievances among marginalized non-elites, especially youth, that helped fuel conflict (Denney 2014; Richards 1996). In particular, the grievance-based explanation of Sierra Leone’s civil war highlights how disaffected youths were recruited “by both sides” in the conflict and “used their newfound power to enrich themselves and exact revenge upon elites” (Fanthorpe & Gabelle 2013). This aspect of the war channeled attention to concepts like decentralization, participatory governance, and regulatory processes whereby non-elites can hold elite actors more accountable. Fanthorpe and Gabelle (2013: 56) argue in particular that “governance and institutional strengthening have been the primary challenges for Sierra Leone in escaping the ‘resource curse’: the historical trend of ineffective governance, conflict, elite capture of resources and lack of adequate consideration of the economic and social rights of host communities.”
4.2.1 An Emerging Environmental Regime

While Sierra Leone implemented most of its regulatory changes in the natural resource sector after the end of the war in 2002, the seeds of Sierra Leone’s environmental governance regime were actually planted during the war. The Government of Sierra Leone (GoSL) attended the United Nations Conference on Environment and Development in Rio in 1992, and like Ghana, this spurred some substantive changes within its regulatory context. One government document noted, in particular, that “African governments were urged to establish environmental ministries/departments” in the wake of the Rio conference (GoSL ND). After Rio, Sierra Leone revised its National Environmental Policy in 1994, recruited nine environmental officers within the Ministry of Lands and Country Planning in 1996, and established UN focal points for the Conventions to Combat Desertification, on Biological Diversity, and on Climate Change. By 2000, Sierra Leone passed a new Environment Protection Act, which established an environmental protection department within the Ministry of Lands, Country Planning, and the Environment. In addition, Sierra Leone created a new Mines and Minerals Decree in 1994, which was subsequently passed into law as the Mines and Minerals Act of 1996 (DFID 2002).

The decree/law established a Minerals Advisory Board, enumerated a licensing process for a variety of mineral licenses, including artisanal licenses, and established parameters for the protection of the environment. A major objective of the new law was
to make Sierra Leone attractive to foreign investment in order to take advantage of a major boom in worldwide mineral exploration. However, the conflict forced almost all mechanized mining, excluding small-scale diamond mining, to a virtual standstill, as rebel attacks on large-scale rutile and bauxite mines in 1995 forced their closure.

Emerging from the war in January 2002, both the international community and Sierra Leone viewed natural resources as a critical driver of development. As in Ghana during the 1980s, attention turned primarily to how Sierra Leone could rebuild its minerals sector to drive growth and development. Convinced that the desire to control high-value diamond revenues had been a major underlying driver of the conflict (i.e., the greed argument) (Le Billon 2001; Le Billon 2012), international actors focused predominately on re-establishing state control over natural resources, institutionalizing transparent processes to ensure state accountability, and promoting a robust private sector that could serve as an engine for growth (Beevers 2011; Fanthorpe & Gabelle 2013). In its 2002 post-conflict strategy paper, the World Bank (2002) stressed that the role of the state in the post-conflict minerals sector was to ensure “clear, non-discretionary, and consistent policies for the sector, to promote private initiatives and investments, to administer mineral rights, to gather and provide basic geological information and to ensure that mining development is environmentally and socially sustainable” whereas “other activities, such as exploration, development, exploitation, beneficiation, smelting and refining, as well as mining and support services are left to
the private sector.” Like Ghana, the World Bank (2002: 6) pushed a vision of a dual mining sector in which a large-scale mining sub-sector, focused on large-scale production of non-precious minerals such as rutile and bauxite, as well as precious minerals like diamonds, would “attract investment to increase output, employment, fiscal revenues and foreign exchange” whereas an artisanal and small-scale sector, consisting largely of Sierra Leoneans, would improve “the overall standard of living of the involved communities, through the establishment of a level playing field for all participants.”

Within this context, the Sierra Leone government embarked on a period of major reform. Immediately after the war, much of this initial change focused on “conflict diamonds” (Beevers 2011; Smillie et al. 2000). A number of policies, across a variety of governance levels, were initiated to address the “concern at the role played by the illicit trade in diamonds in fueling the conflict in Sierra Leone” (UNSC 2000). At the international level, the UN Security Council passed resolutions prohibiting the import of rough diamonds from Sierra Leone (UNSC 1999, 2000). The international community also launched the Kimberley Process Certification Scheme in 2003 to establish a certification process for the export of diamonds from conflict-affected countries and the Extractive Industry Transparency Initiative (EITI) in 2002 to improve the management of natural resource revenues (Beevers 2011; Beevers 2015). Sierra Leone signed on to the Kimberley Process in 2003 and began the process to implement the EITI in 2006. Unlike
Ghana, however, Sierra Leone struggled to implement the terms of the EITI and was suspended as a candidate country in 2013. After addressing reporting deficiencies, Sierra Leone was readmitted as a compliant country in 2014. The Permanent Secretary of the Ministry of Mines and Mineral Resources noted that Sierra Leone committed to the EITI because the government was aware “we should be transparent and had to do things properly” (#16 MMMR January 2016). Attention to the issue of conflict diamonds also opened up space for civil society involvement. The Campaign for Just Mining, composed of a coalition of human rights groups, environmental organizations, academic institutions, and other civil society groups, helped spur the development of the Diamond Area Community Development Fund (DACDF) in December 2000 (Beevers 2011). The DACDF allocated 25 percent of revenue accrued from diamond export taxes to chiefdoms involved in mining. Chiefdoms benefitted according to the number of mining licenses issued and the value of diamonds discovered within their territory (Maconachie 2010). Maconachie (2010: 196) notes that in addition to providing resources for social and economic development, the fund aimed “to encourage chiefdoms to monitor mining more effectively and eradicate illegal activities, thereby enhancing the Kimberley Process Certification Scheme.”

Despite this increased attention to diamond production, international actors and the GoSL extended little support for small-scale and artisanal miners outside this sector (Maconachie & Hilson 2011). Rather, the international community, led by the World
Bank and IMF, continued to view large-scale mineral development as the major avenue to sustainable growth and development for two reasons. First, the commodity boom that emerged in 2003 was driving foreign investment in the extractive sector across the Global South. In an interview with a government advisor in 2009-2010, Beevers (2011: 254) reports that “in 2005 and up to late 2008, $50 billion in capital was floating around to invest in extractive industries world-wide and Sierra Leone was maneuvering to get in on the boom.” This observation is supported by the fact that by 2008, more than 150 prospecting licenses, covering 82% of the country’s surface area, had been issued to over 100 companies (Fanthorpe & Gabelle 2013). Fanthorpe and Gabelle (2013: 42) note than in one instance a company was issued a prospecting license that “covered more than 50% of the total land area available for mineral exploration.” As in Ghana, the emphasis on large-scale (and small-scale mechanized) mining reduced the amount of land available for artisanal miners, and forced them into a position of informality. A number of informal miners interviewed during the course of fieldwork in 2016 mentioned that they had once been licensed to mine but were forced to relinquish those licenses to exploration companies who had been awarded concessions by the government. Second, although the government and international partners recognized that the ASM sector was critical for improving the overall standard of living for local communities, the positive growth potential of the large-scale sector was thought to significantly outweigh any positive impacts from ASM sector development (WB 2005). In particular, international
advisors at the World Bank and IMF did not perceive artisanal mining as an efficient or economically viable avenue to development in the long-term (WB 2005).

4.2.2 Mineral Regulation

International actors, in partnership with the GoSL, directed Sierra Leone’s post-conflict rebuilding strategies through its National Recovery Strategy launched in October 2002 and its first Poverty Reduction Strategy Paper (PRSP) of March 2005. These documents, as well as the PRSPs that followed, embraced the concept of sustainable development of the country’s mineral resources – particularly gold, rutile, bauxite, iron ore, and diamonds – as a central tenet to drive growth and recovery (Maconachie 2009; WB 2005). In particular, the three PRSPs developed between 2005 and 2013 called for extensive reforms in the minerals and environment sector as a critical component of recovery efforts (GoSL 2005-2007, 2008-2012, 2013-2018). Sierra Leone’s most recent PRSP, the Agenda for Prosperity (2013-2018: xiii), particularly emphasized that “Sierra Leone will draw on its natural resource endowments as the motor of the economy, aiming to be a model in responsible natural resource exploitation, with revenues directed at transforming and developing the country in a framework of sustainable environmental protection.” These strategy documents effectively launched both the minerals sector and the environment sector – a traditionally low politics issue – into the political spotlight. International actors drew specifically on the priorities highlighted in the PRSPs to push substantial regulatory reform at the national level. In particular,
international technical experts drafted new policies, laws, and regulations in the minerals and environment sector (with input from the GoSL), and development partners technically and financially supported the emergence of new mineral and environmental regulatory agencies. These reforms helped align Sierra Leone’s legislative and regulatory environment with international and regional standards of best practice. Additionally, the PSRPs helped secure a political level commitment to natural resource governance from the President and his cabinet. In his inaugural speech to Parliament in 2007, President Koroma signaled the need to commit to governance reform in the extractive sector and to expand large-scale mining activities:

Mr. Speaker, the mining sector is plagued with a poor regulatory framework and rampant smuggling. My government will enforce existing mining legislation and develop a robust environmental protection policy. My Government shall also ensure increase in exports as well as encourage secondary processing of minerals, especially diamonds and gold, to increase the tax revenue base and create more jobs. Government will pursue the proposed resuscitation of the Marampa mines and the development of the Tonkolili Iron Ore prospect as well as the Port Loko Bauxite mining project. Government will also continue to support the operations of the Sierra Rutile mines as well as the Sierra Minerals Bauxite operations with a view to improving revenue to government and more benefit to the people of Sierra Leone. (President Koroma, Inaugural Address to Parliament, 5th October 2007)

The international and political-level commitment to revising Sierra Leone’s minerals sector resulted in a slew of high-level policy changes, many of them based on the World Bank’s previous experience implementing mineral reform in Ghana. A Core
Minerals Policy, written by international actors and amended by the Ministry of Mines and Mineral Resources, was approved by cabinet in late 2003 and published in 2004. The policy was designed “to create an internationally competitive and investor-friendly business environment in the mining sector” while simultaneously providing “an enabling legal and fiscal regime for all mining operations from large-scale mines such as those of Sierra Rutile to the small artisanal gold and diamond mines in the provinces” (GoSL 2004: 1). Although the Core Minerals Policy did advocate for the efficient regulation of the artisanal and small-scale sector, its primary purpose was to “review and amend mining laws, regulations and associated Laws to make them as attractive as possible for investment here [in Sierra Leone] rather than in neighboring countries with similar mineral potential” and to “attract private investments into the minerals sector” (GoSL 2004: 4). The 2004 Minerals Policy is currently undergoing revisions. A senior official at the Ministry of Mines stated that “the Ministry is presently developing a Core Minerals Policy in which document it attempted to integrate several international and regional mining principles” (Personal Communication MMMR 2016). Another government official within the National Minerals Agency noted that the revision is partially intended to “standardize and align Sierra Leone minerals policy with global standards like AMV [Africa Mining Vision]. Once it is harmonized, then [we will] start to revise other legislation” (#9 NMA January 2016).
In addition to the Core Minerals Policy, the GoSL reviewed its mineral regulatory framework with extensive assistance from international development partners, especially DFID. Based on this review, Sierra Leone passed the Mines and Minerals Act in 2009 and the the National Minerals Agency Act, 2012, which established a National Minerals Agency in 2013 (almost identical to the Minerals Commission in Ghana). Sierra Leone also established a Mining Cadastre Administration System with an online licensing repository in 2012. These endeavors were largely supported through a Technical Assistance Project initiated by the World Bank in 2009 and 2011. The Mines and Minerals Act of 2009 included detailed provisions for mineral licensing (including reconnaissance, exploration, artisanal, small-scale, and large-scale licenses), the application process, and the monitoring of licensed operations (Fanthorpe & Gabelle 2013). The Act also referenced the need for an environmental impact assessment license as a precursor to the award of large- and small-scale mining licenses and set out the details of Corporate Social Responsibility in the minerals sector. In particular, the Act required that mining companies must obtain a land lease or other land rights to use land for mining, pay compensation to landowners when rights are disturbed or property damaged, and implement Community Development Agreements (CDAs) funded by not less than 1% of 1% of the gross revenue amount earned by mining operations in the previous year (GoSL 2009). In its establishment of the National Minerals Agency, the GoSL transferred responsibility for the implementation of minerals legislation and
policy from the Ministry of Mines and Mineral Resources, which had previously been the key player in the extractives sector, to a regulatory agency (as occurred in Ghana). The primary function of the Agency as per the National Minerals Agency Act was to provide “effective and efficient licensing, geological and trading regulatory agency services in a consistent, accountable and transparent manner” (Fanthorpe & Gabelle 2013: 28-29). The National Minerals Agency also oversees the online licensing repository through which anyone can view which licenses have been awarded and where. Fanthorpe and Gabelle (2013: 67) note that the World Bank was “significantly involved” in the creation of the Minerals Agency, and through its Technical Assistance Program contributed to “logistical and support equipment to get the Agency operational.”

Despite the passage of modern legislation and the establishment of a strong regulatory agency to oversee the minerals sector, these reforms have been slow to impact the licensing process on the ground. For example, Sierra Leone has continued to enter into “concessionary agreements” with mining companies “on the grounds that Sierra Leone desperately needs to attract foreign investors to consolidate its post-war recovery” (Fanthorpe & Gabelle 2013: 30).

Recent mining agreements with London Mining, African Minerals Limited, and Sierra Rutile Limited do not conform with the provisions of the Mines and Mineral Act, 2009 (NACE 2012). Assessing the extent of this problem has been made more difficult by the fact that there is no requirement for the GoSL to publish license agreements. The
online Mining Cadastre, established to ensure transparency in licensing, does not actually provide information about mining license agreements beyond the license type, its duration and geographical scope, and the payments made to secure the license. A civil society representative argued that despite the elaborate licensing process “everything is decided in Freetown. Investors come and [the government] says to investors: go look at Community A or B [and] decide what you want to mine. [The government] tells regional level offices to allow them [to come]. There are too many secrets going on in the mining sector – [we] are not feeling transparency at the ground level” (#36 NMJD February 2016).

In addition, Fanthorpe and Gabelle (2013) point out that the legislation does not clearly delineate institutional authority and responsibility in the licensing process. In particular, the Mines and Minerals Act of 2009 expands rather than reconfigures the powers of the Minerals Advisory Board, a political advisory body established by the Mines and Minerals Decree of 1994, in the licensing process. Under the 2009 Act, the Minerals Advisory Board, whose chair is appointed by the President on the recommendation of the Minister of Mines, possesses the power to advise the Minister on the granting, renewing, suspending, transferring and cancelling of mineral licenses and certify mineral rights applications. Within this legislative context, technical decisions made by the National Minerals Agency are subject to political interference by the Minerals Advisory Board as “technical advice supplied by NMA professional staff to
policy makers could be challenged, diluted or even overruled by political appointees sitting on the [Advisory Board] (or influencing behind the scenes)” (Fanthorpe & Gabelle 2013: 32). A regional NMA officer recounted that “important decisions are always approved by political actors. Licenses are issued by the Minister, ultimately. The NMA processes [license applications] and presents it to the Minerals Advisory Board. They deliberate…and make recommendations to the Minister. The Decision of the Minister is final” (#24 NMA Bo January 2016).

This situation underscores the extent to which regulatory agencies in Sierra Leone, despite undergoing internationally driven reform, remain beholden to elite political interests. This has made it generally difficult for agencies to implement their mandates without political support from above, “however well-resourced they may be as a result of Development Partner support and whatever the extent of their legal mandates” (Fanthorpe & Gabelle 2013: 47). The National Minerals Agency, in particular, was designed as a technical body with no direct links to political parties. As the Agency came on line, however, the GoSL interfered with its structure to ensure that it retained linkages to the ruling party, creating the position of Deputy Director General – a position absent in the National Minerals Agency Act, 2012 – and inserting an APC supporter. In addition, the Minerals Agency has retained a structure in which both verified and unverified Mines Monitoring Officers are responsible for monitoring and enforcing licensing provisions in the field. While verified mines monitoring officers are
recruited formally through the mainstream civil service and paid through the consolidated fund, unverified mines monitoring officers constitute “party foot soldiers” rewarded with jobs that are not subject to formal recruitment procedures and who are paid through discretionary funds at the Ministry (#24 NMA Bo January 2016). In Kenema, for example, 65 out of 77 mines monitoring officers employed by the regional office were unverified, and two of those individuals had actually died without being removed from the monitoring list (#37 NMA Kenema February 2016). Often paid poorly and irregularly, unverified mines monitors use their position to extract extralegal payments from miners looking to circumvent formal regulations. They also channel information back up to elites in Freetown. A regional NMA officer noted that both APC and SLPP have recruited unverified monitors as each party “need[s] to ensure [they] have people reporting directly to the Minister” (#24 NMA Bo January 2016). Another regional officer in Kenema agreed that with “big diamonds – the first place to call is the Ministry” (#37 NMA Kenema February 2016). The National Minerals Agency relies extensively on these officers to monitor mining concessions in the field, making it difficult for regulators to effectively implement and enforce the provisions of the law.

4.2.3 Environmental Regulation

Like the minerals sector, regulatory reform in the environment sector has been guided by international standards of best practice but also characterized by a substantial degree of political interference. From 2000 to 2005, the Environmental Department
established within the Ministry of Lands and Country Planning by the Environment Protection Act of 2000 was shuffled around to several different ministries. Staff within the Environment Department persistently lobbied then President Kabbah to create an independent Ministry of Environment because the mandate of the Environment Department was consistently being undermined by “a Ministry [of Lands] that caused [environmental] degradation” (#14 MoL January 2016). In 2005, Kabbah (SLPP) created the National Commission on Environment and Forestry (NaCEF) “to better coordinate environmental governance” (#19 CSO January 2016). Kabbah “cleaved off the Departments of Environment and Forestry [and] joined them together to create [the] commission. [There was] no legal pronouncement and no real attachment to any other Ministry. [It sat] directly under the President” (#3 EPA January 2016). The rationale behind the establishment of the Commission was that the “environment required significant attention [and] nothing less than oversight from the statehouse [would suffice]” (#19 CSO January 2016). Rather than viewing the Commission as a win for environment, both international actors and domestic civil service saw its establishment as a mechanism to undermine the environment in Sierra Leone. An environmental report commissioned by the EU noted that the the Commission was “underequipped, understaffed and operating with insufficient budget, with no allocations for development purposes” (Blinker 2006: 31). In addition, the Commission, which had taken over the responsibilities of three Ministries (Agriculture, Forestry, and Food
Security; Lands, Country Planning, and Environment, and Marine Resource and Fisheries), was seen by government staff as a “Presidential fancy” that served to disempower Sierra Leone’s civil service (#19 CSO January 2016). As a result, Commission staff employed “civil disobedience” to protest the establishment of the Commission, and nothing much was achieved over its short two-year lifespan.

With the transition of power from the SLPP to APC in the national elections of 2007, the newly inaugurated President Koroma demanded a review of the situation on environment. Sierra Leone initiated a study tour to Ghana to examine the Ghanaian regulatory framework on environment. In particular, Sierra Leone officials examined Ghana’s environmental legislation and the design and function of its Environmental Protection Agency. An EPA-SL officer remarked that Sierra Leone selected Ghana as a model because of its “similarities to Ghana,” as well as for Ghana’s reputation for strong environmental governance (#3 EPA January 2016). Based on their experience in Ghana, Sierra Leone created the Environmental Protection Agency Act, 2008 (Act 8), which established an Environmental Agency inside the Ministry of Lands, Country Planning and Environment. Like Ghana, the EPA Act embraced international standards of best practice by embracing the polluter pays principle, the precautionary principle, and by placed Environmental Impact Assessments at the center of Sierra Leone’s regulatory framework. Sierra Leone went somewhat further in distinguishing Social and Health Impact Assessments as distinct processes that the EPA could potentially require in
determining project impacts. These requirements were specified in detail through the
Environment Protection Agency (Environmental Impact Assessment License)
Regulations in 2010. In addition to mirroring the Ghanaian regulatory structure, Sierra
Leone imported Ghanaian advisors to ensure that Sierra Leone functioned in ways that
would be acceptable to both international and regional actors.

Agency officials within the Ministry complained that the Minister of Lands was
slow to act on environmental issues and engaged in (corrupt) activities that undermined
its efforts to protect the environment. Elites within the Agency thus drafted a position
paper to the President requesting that the “EPA [be] removed from the Ministry of
Lands and housed in the office of the President” (#3 EPA Jan 2016). Despite the fact that
Sierra Leone’s civil service had opposed this regulatory structure under Kabbah,
Koroma approved the request and the Environmental Agency was separated from the
Ministry of Lands through the EPA Amendment Act of 2010. The newly independent
EPA was placed under the President’s purview in the Statehouse and taken off the
consolidated budget as an independent revenue generator. A government official noted
that while there was a consultation process in government to create the Agency that
went in as part of the Ministry of Lands, there was no consultation around the 2010
Amendment to “hive off [the] EPA” (#11 MoLCP January 2016). This move ruffled a
substantial number of feathers within government as it was perceived as a ploy by the
newly designated Executive Director of the EPA, an APC party elite, to obtain power
and resources. In particular, the designation of an independent EPA rerouted resources from “GEF, UNDP, EU, [and] UNEP” to the new Agency and away from the Ministry of Lands. In addition, Ministry staffers argued that political favoritism affected who was transferred to the new structure. Specifically, control of the EPA was given to an APC loyalist rather than the existing Director of Environment within the Ministry who belonged to the SLPP party. A Ministry staffer noted, “where revenue is generated, politicians want control of resources [and] the EPA generates millions” (#14 MoL January 2016). A position paper written by environmental staff remaining in the Ministry of Lands critiqued the new structure for conflating policy creation with implementation and enforcement responsibilities (GoSL ND). In particular, the policy piece argued that the “policy direction on environmental management must be provided by the executive arm of government which is normally a ministry” (GoSL ND). Further, the Ministry should provide “for overall policy formulation, guidance, and development of regulations and standards whilst an Agency within this Ministry is the operational arm responsible for the implementation of these policies and regulations” (GoSL ND).

The evolution of the EPA in Sierra Leone demonstrates the extent to which access to executive power is perceived as a necessary precursor to regulatory effectiveness. A recent World Bank report argued that “observers from both inside and outside central government tend to note how the heavy concentration of decision making power in the person of the President shapes the entire culture of government” (Fanthorpe & Gabelle
In a similar vein, an EPA staff member observed, “if [the EPA’s] power and authority is equal to all other ministries, [the] authority of the EPA would not work. Placed higher – now in the office of the President – [we have] higher authority than Ministries. [We are] not answerable to any Ministry other than the President” (#3 EPA January 2016). Indeed, despite the controversy over its origins, the EPA has used its new status to claim a powerful position in government. One government official noted that “there are different levels of Ministries – a higher level Ministry cannot tell lower ones what to do. [The] EPA sought to put itself at the top of the hierarchy by going into the President’s office” (#11 MoLCP January 2016). Similarly, an NMA staffer observed “EPA has got more power directly under the office of the President and they are really using their power” (#52 NMA Makeni February 2016). And yet another EPA officer added that “even if the Minister is involved [in an illegal activity], the EPA has the power to stop it. EPA is powerful in this country for now” (#51 EPA February 2016). The power of proximity to executive has made the EPA the envy of many other state regulators, and institutions like the NMA have expressed a desire to be both independent of a parent Ministry and financially autonomous from the consolidated budget. Fanthorpe and Gabelle (2013: 47) argue that “it would not be surprising to see the NMA being drawn into the administrative orbit of the State House in years to come.”

The EPA’s proximity to the President has simultaneously reinforced and undermined its position in the government. When asked whether being placed in the
statehouse under the President gave the EPA power, a government official argued: “in some ways – yes. People in government are afraid to challenge [the executive director] because she has direct access to the President. In other ways – no, because the President can intervene in projects that are important to him” (#11 MoLCP January 2016). A UNDP official similarly noted that the “EPA is very dependent on [the Executive Director]. She knows when to pick and choose her battles. [For example], the EPA was fighting against a company who was not complying and trying to force them to pay penalties and making a lot of noise in general. The EPA got a call from high up in the President’s office, [who] told them to back off and they did. [Regulation] depends on whose protection you have and to know how far you can push an issue” (#10 UNDP January 2016). The ongoing push and pull of regulatory reform in Sierra Leone underscores the extent to which institutionalization can be an inherently destabilizing process.

In addition to the regulatory reforms undertaken at the national level, international actors also pushed for a decentralization program to re-establish local-level institutions. A Ministry of Local Government officer argued that decentralization was critical because the 11-year war was “brought about by bad governance [and] people felt marginalized. At the end of the war, the GoSL and donors proposed to decentralize and open up political space, [especially by] increasing transparency and accountability” (#4-6 MoLG January 2016). In the minerals and environment sector, these efforts emerged as a push to increase the voice of communities in the extractive process and install
environmental officers at the district level. In particular, the World Bank helped install environmental officers within the newly re-established local councils in 2013, and the EPA assisted with “training and taking the lead in managing environmental issues in communities” (#13 EPA January 2016). Despite the initial progress made with embedding this officers within local government structures, the EPA argued that no further progress has been possible since the initial World Bank allocation because district environmental officers have “not been funded at all…[there is] no special budget from the consolidated fund” (#13 EPA January 2016). The lack of support for district environmental officers is reflective of the larger difficulties local councils have encountered attempting to establish control over local governance functions. In particular, local councils have struggled to wrest control over issues like land administration and managing development projects from traditional authorities. Further, the central government has been slow to devolve those functions that could empower local council authority. In addition, the central government has further undermined the powers of the local council by reactivating the post of Senior District Officer. Fanthorpe and Gabelle (2013: 50) observe that this position represents “the original (i.e., colonial) oversight apparatus for local administration” and that District Officers “have extensive yet poorly defined powers to intervene in chieftaincy matters, land administration issues included.” The authors continue, “[Senior District Officers] answer to central government and do not have a formal relationship with local councils.
Their re-activation was the outcome of a successful campaign, waged by some members of the central elite, to rein back the political influence of local councils – especially councils controlled by opposition parties” (Fanthorpe & Gabelle 2013: 50).

Like Ghana, the policy context in Sierra Leone has been molded explicitly by international concepts of good governance in the extractives sector. After the war, the Government of Sierra Leone increasingly worked to securitize and liberalize its natural resource sector, constructing laws, policies, regulations, and new structures to support this reform. Many of these reforms, while reflecting international governance norms, were modeled explicitly on those reforms undertaken in Ghana. As a result, Sierra Leone has constructed a nearly identical mineral and environmental regulatory context. Such changes to Sierra Leone’s regulatory environment were considered necessary to enhance transparency and accountability, reduce the risk of conflict, and drive sustainable growth. This section outlined the difficulties associated with the institutionalization of these regulatory reforms within the Sierra Leonean context. In particular, Sierra Leone has struggled to establish regulatory institutions that can operate effectively without political interference. The next section takes a comparative approach to explain why environmental governance reforms in both Ghana and Sierra Leone have struggled to drive real social change on the ground.
In Summary: Structural reforms undertaken in Ghana since the early 1970s and Sierra Leone since the 1990s have resulted in nearly identical approaches to natural resource governance in both contexts. International actors have financially and technically supported the rewriting of laws related to natural resource regulation, the restructuring of state agencies to enhance regulatory capacity, and the implementation of global initiatives that promote transparency and accountability through information exchange. Additionally, domestic regulators have become active participants in global fora, like the UN Conferences in Stockholm and Rio, that promote the diffusion of specific standards in extractive governance. Interacting within these dense global networks, regulators have been encouraged to replicate international standards of best practice, largely originating within the United States and Europe, which has itself driven the perception that there is indeed a ‘correct’ way to manage natural resources in resource-rich states.

This suggests that policy convergence in Sierra Leone and Ghana has been achieved through a combination of top-down pressure for governance reform from international actors like the World Bank and transnational harmonization through participation in global conferences and interaction with regulatory counterparts in other nations (Goldman 2005; Raustiala 2002). Of critical importance is the idea that the impetus for reform (and convergence) lies largely outside the domestic context: global rules and practices have been diffused from major powers to weaker states through an
international system that encourages structural isomorphism across distinct governance units (Meyer et al. 1997a; Meyer et al. 1997b; Raustiala 2002).
5. Regulating an Environmental Peace in Ghana and Sierra Leone

The process of “regulatory export” and domestic absorption has helped Ghana and Sierra Leone construct relatively strong regulatory states composed of modern bureaucratic institutions that have become increasingly reflective of international standards of best practice and independent of local contexts (Raustiala 2002: 7). Barnett and Finnemore (2004: 39) contend that reforms based on global standards “necessarily flatten diversity because they are supposed to generate universal rules and categories that are by design inattentive to contextual and particularistic concerns.” Presently, the regulatory landscape in Ghana and Sierra Leone consists of blueprints born out of a global environmental regime that has dictated what resource-rich states should look like in order to promote sustainable development and prevent conflict (Frank et al. 2000; Hironaka 2014). Both countries have internalized, adopted, and institutionalized the discourse of this regime to build relatively strong, transparent regulatory institutions that aim to liberalize, democratize, and formalize natural resource (i.e., mineral) management (Campbell 2009). More specifically, both Ghana and Sierra Leone have attempted to standardize access to mineral resources through a formal licensing process, address environmental and social grievances (especially benefit sharing issues) through social and environmental assessments, and democratize resource governance through information-sharing platforms that aim to expand opportunities for citizen oversight.
These institutional changes reflect the core notion of transparency as a necessary means to promote participatory governance and accountability — principles that have been viewed in international development circles as critical in countering the negative social and environmental impacts of the resource curse (Le Billon 2012). While governance reform has been uneven and characterized by political interference in Sierra Leone, Ghana has emerged with a strong reputation in extractive governance. For example, an Oxfam representative argued that “in the region [West Africa], Ghana has the best institutions and capacity” (#45 Oxfam November 2014). A DFID officer agreed that “Ghana is technically strong” (#73 DFID January 2015). Similarly, a Newmont Mining official remarked that Ghana possessed a “strong regulatory framework backed by legislation” and that “Ghana is up there [in terms of] defining standards and regulating operations” (#113 Newmont March 2015).

Yet, despite efforts to construct a regulatory landscape which reflects, almost exactly, international standards of best practice in extractive governance, a common refrain in both countries is that strong state institutions do not implement or enforce their mandates, and have failed to protect the environment or prevent conflict. ¹ This suggests that as global institutions have been diffused to the domestic context, they have been integrated in ways that either diminish or distort their ability to deliver

¹ In Sierra Leone, a number of authors argue that governance reforms have exacerbated the grievances that initially contributed to the conflict, and that the country is at risk of re-engaging in large-scale conflict (Beevers 2011; Fanthorpe & Gabelle 2013).
theoretically expected governance benefits. While the mechanisms by which global actors shape nation-state preferences, choices, and behavior have been extensively theorized in the literature (Meyer 2010; Meyer et al. 1997a), the process of institutional change at the domestic level, particularly as global models are integrated within local governance frameworks, is less well understood (Checkel 1997; Johnson 2016). Often, domestic institutional structures are theorized to be resistant to externally-imposed change because external structures lack complementarity with local modes of governance (Platteau 2000a; Rodrik 2008). In particular, imposed global models tend to apply universal solutions that are “inconsistent with local practices, requirements, and cost structures” (Meyer et al. 1997a: 154). As a result, fundamental change is often characterized by “high fixed costs,” which means that when institutional change does occur, it tends to be path dependent and contingent on existing structures (Weinthal 2002: 73).

In order to examine claims that governance reforms have been unable to drive real social and environmental change, this chapter explores how the regulatory state has been institutionalized within Ghana and Sierra Leone. Specifically, it assesses how the regulatory state functions in both contexts, and the extent to which it has been able to establish itself as a neutral arbiter with the authority to promote social stability by supervising competition for resource access and exploitation, translate public discourse into government policy, and mediate emerging disputes. This chapter attempts to show
that, while the diffusion of global models has created both strong institutional structures and a capable subset of domestic agents to reinforce global norms, these structures and agents have been unable to expand the benefits of reform beyond a narrow segment of society for two reasons. First, institutional design choices, which have forced agencies to finance themselves through their regulatory activities, have perpetuated a system that prioritizes the regulation of those (typically elite) actors and (large-scale) projects which can maximize revenue generation. In particular, the Minerals Commission and EPA in Ghana and the EPA in Sierra Leone (EPA-SL) rely extensively on their own internally generated funds and donor support to execute their mandates. As such, regulators have been forced to focus extensively on those activities that generate revenue or ensure international funding to survive politically, even as these agents have increasingly recognized that this focus has limited mineral access for domestic small-scale and artisanal miners and contributed to social conflict and environmental degradation.

Second, the implementation of standardized and highly depoliticized regulatory tools to address issues of access and participation in natural resource governance has provided space but not place for non-elite actors to engage. In other words, state-controlled regulatory processes, while theoretically providing opportunities for non-elite engagement, have struggled to produce conditions that empower broad-based non-elite participation (Campbell 2006; Ferguson 1994; Goldman 2001). In particular, formal regulatory processes have employed technical solutions to address the highly political
problems of access and participation. This depoliticization of natural resource regulation has left underlying institutional structures and power relations virtually untouched, and effectively reproduced structural and social barriers that mediate access to and the use of participatory spaces. As a result, global environmental models have empowered and mobilized only a narrow range of elite actors – the regulatory state and those with the resources to access it – to internalize formal rules, processes, and practices, which has limited the extent to which those institutions can expand, influence, and ultimately replace existing competing structures (Hironaka 2014).

This chapter is organized in four sections. The first section looks explicitly at how the development of institutional structures in Ghana and Sierra Leone have created agents within the regulatory state that work to reinforce globally diffused models at the domestic level. The second section illustrates how structural design choices have forced the regulatory state to focus intensively on large-scale and some small-scale mineral activities to the exclusion of domestic small-scale and artisanal (ASM) actors. The third and fourth section, looking at opportunities for access and participation respectively, demonstrate how regulatory processes modeled on global norms can paradoxically constrain participation and reproduce underlying power structures. Ultimately, this chapter focuses explicitly on governance from the perspective of the regulatory state. The next chapter will explore in greater depth the ways in which the political state and rural non-elites have responded to the emergence of the regulatory state.
5.1 Creating Agents of Change

With the rise of the modern regulatory state, both Ghana and Sierra Leone have witnessed the emergence of a new elite class of regulatory and civil society agents that are working to “implement, elaborate, and expand” these institutional structures on the ground (Hironaka 2014: 77). In particular, state regulators are enacting and developing the technical roles generated by the domestication of modern institutional structures (Hironaka 2014). In their role as technical experts, members of this professional class participate in global meetings and conferences, attend international short courses and trainings on natural resource regulation, and undertake study tours to examine management practices in other countries. Enmeshed within dense global regulatory networks that promote policy convergence across distinct governance units, these regulators have been “encouraged to replicate U.S. and E.U regulatory approaches as they increasingly interact with their counterparts in other nations” (Raustiala 2002: 51). Ghana, in particular, has been an active participant in global regulatory networks since the 1970s, and has worked to domesticate global governance principles as they have emerged. Slaughter (2005: 167) contends that such “harmonization networks contribute to world order by allowing nations to standardize their laws and regulations in areas where they have determined that it will advance their common interests in trade,

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2 “Actors represent an ideal type of individual or organization motivated by intrinsic interests and values. In contrast, ‘agents’ enact roles enabled by institutional structures. Institutions imbue a side variety of agents with purposes, identities, and goals” (Hironaka 2014: 78).
environmental regulation, communications, protecting public health, or any number of other areas.” International development partners, for their part, have further propelled policy harmonization by providing financial and technical assistance to support regulatory agencies as they work to revise laws and policies, implement their regulatory activities, and enforce agency mandates in accordance with international standards. State regulators have thus become vertically and horizontally integrated within global and regional governance networks that serve to channel global rules, practices, and structures to the domestic level, and reinforce those reforms within local governance frameworks (Goldman 2001; Haufler 2010). Through repeated interactions with other members of the network, regulatory agents internalize global norms and are constituted by them (Checkel 1997). Indeed, Keohane and Nye (1974) contend that regulatory agents embedded within transnational networks may increasingly define their institutional roles in relation to international standards of governance rather than domestic political constraints.

In Ghana and Sierra Leone, the domestication of global models has both created space for and empowered regulators to expand the boundaries of natural resource governance reform within society (Hironaka 2014). Agents have used regulatory structures as platforms from which to actively pursue new policies and regulations, update laws, and expand the scope and definition of their regulatory activities (Chapter 4). These activities have helped reinforce global governance principles, especially
transparency and accountability, and codify new standards of behavior across the natural resources sector. In Ghana, for example, regulators at the EPA have been successful in pushing District Assemblies to undertake strategic environmental assessments (SEA) to ensure that environmental targets are considered in District Development Plans. The Director of the Legal Department at the EPA remarked that “before the SEA, [the EPA would] go to a district with mining and forest degradation, and nothing would be in their plans [to address it]. Now [they are] addressing those issues at the District level” (#37 October 2014). Regulators in Sierra Leone, the EPA-SL in particular, have also pushed to expand the boundaries of regulatory reforms in the natural resources sector. The EPA-SL, for example, is actively working to expand its authority to regulate exploration and artisanal mining licenses under newly drafted regulations, as well as promote environmental issues at the subnational level by training environmental officers within Local Councils.

The diffusion of global governance standards within Ghana and Sierra Leone has also helped spur the development of a robust civil society to monitor the work of regulatory actors within the state, and advocate for further policy changes. Civil society agents have urged the regulatory state to domesticate, reinforce, and expand global environmental norms within domestic contexts (Haufler 2010) – focusing in particular on increasing transparency in the management of natural resource revenues, ensuring an equitable distribution of benefits through information sharing and participatory
processes, and enhancing resource access for domestic small-scale and artisanal actors.

In particular, these agents have helped push the boundaries of reform by organizing
meetings and conferences, as well as regional and international workshops and
platforms to discuss, critique, and advance global environmental governance norms.

The goal of many of these agents has been to expand the “workspace” for addressing
natural resource issues and construct shared approaches to governance through
dialogue and engagement (Hironaka 2014: 17). As a result, these “activists and policy
entrepreneurs” have been critical in helping to drive the diffusion process,
institutionalize global models, and reinforce standard policy solutions within domestic
contexts (Haufler 2010: 54).

This is particularly true for Ghana where numerous international NGOs have
established domestic offices that work to reinforce and expand good governance
standards in the natural resources sector – especially with regards to minerals and oil.
Organizations such as Oxfam Ghana, the Third World Network, and the Natural
Resources Resource Governance Institute have become strong advocates for the
domestication of global and regional governance principles, and have lobbied
consistently to push Ghana to integrate these principles within its policy framework. For
example, a two-day workshop hosted by the Third World Network in Accra in
November 2014 brought together policy makers and civil society agents from across
West Africa to discuss the progress West African nations had made toward
incorporating the Africa Mining Vision and other regional mineral policies into domestic policies. Policy makers discussed common problems in the mineral sector and came up with shared policy recommendations for moving forward. In addition to policy work, these organizations have attempted to expand the role of civil society in Ghana by supporting the activities of other domestic NGOs working toward similar objectives. A representative for Oxfam Ghana argued that a critical objective for the organization was to raise revenue and channel support to domestic civil society organizations in order to “keep them afloat” (#45 Oxfam November 2014). Ghana boasts a host of domestic NGOs that advocate for change through policy reform and dialogue. The African Centre for Energy Policy (ACEP), for example, has emerged as a strong domestic civil society organization that aims to “influence energy sector policies in Africa by providing professional analysis of energy policy, training, advisory services and policy advocacy for the efficient and transparent management of Africa’s energy resources” (ACEP 2017). This organization has been particularly active in calling for new legislation within the natural resources sector, and most recently drafted a proposal advocating for the establishment of a Mineral Revenue Law in Ghana.

Civil society in Sierra Leone, while less robust than its Ghana counterpart, has similarly helped reinforce modern governance standards at the domestic level. In particular, a number of domestic NGOs and advocacy coalitions focused on improving transparency and accountability in the minerals sector emerged in Sierra Leone after the
conflict. The National Movement for Justice and Democracy (NMJD), the National Advocacy Coalition on Extractives (NACE), and Green Scenery, for example, have actively advocated on behalf of mining communities by reviewing and critiquing mining lease agreements, writing and disseminating analytical reports on mining, and participating as civil society representatives in government initiatives like the EITI (NACE 2009; NMJD 2010). Fanthorpe and Gabelle (2013: 52) argue that these civil society organizations “have campaigned effectively in pointing out the manner in which concessionary mining agreements have departed from Sierra Leonean law and the plight of some mining-affected communities.” Additionally, these organizations have “made good use of both Sierra Leonean and international experts in producing high quality analytical reports, and have engaged in numerous debates over extractives sector governance with politicians at public meeting and on national radio” (Fanthorpe & Gabelle 2013: 52). The work of these coalitions built on the initial advocacy efforts of the Campaign for Just Mining that emerged in 2000. As noted in Chapter 4, this campaign led the GoSL to establish the Diamond Area Community Development Fund to promote formalization and help channel benefits to chiefdoms where diamond mining was taken place (Beevers 2011).

Unlike Ghana, however, these organizations have not received substantial financial and technical support from international NGOs. As a result, much of their time is spent searching for funding. One civil society actor argued that it was difficult for civil
society “to be effective because [they are] busy looking for resources…civil society does not have the financial means to mount an independent campaign unless someone external funds them” (#22 CSO January 2016). Similarly, an NMJD representative noted that institutional funding has become a “huge issue” and concluded that “international funders do not want to fund national NGOs because the natural resources sector is so political and they think [we] won’t achieve much” (#23 NMJD January 2016). The issue of inadequate resources and revenue further complicates how civil society interacts with government and other powerful groups in society. For example, Fanthorpe and Gabelle (2013: 53) observe that many Sierra Leonean civil society organizations are “disinclined” to criticize government or other powerful groups too harshly because this would potentially jeopardize their ability to obtain benefits and/or services from these actors in the future. In particular, gaining a reputation as a “criticizer” of powerful organizations or individuals in society may risk future career opportunities or alienate government sources that serve as critical sources of otherwise inaccessible information (Fanthorpe & Gabelle 2013: 53).

Together, regulatory and civil society agents represent distinct but complementary forces that have labored to establish global institutional structures within the domestic context, and reinforce these structures on the ground (Haufler 2010). In particular, regulators have served to develop and expand their institutional roles within the governance context, and civil society has served to monitor, critique, and
advance these efforts. While the relationship between these two sets of agents is often antagonistic, with civil society persistently claiming that government is not open, supportive, or transparent enough, their overlapping interests, forged through interactions with and exposure to concepts circulating within global governance networks, have helped reinforce a particular set of policy solutions within the natural resource sector (Haufler 2010). Constructing transparent, inclusive, and accountable institutions that promote ‘good’ natural resource management, in particular, has become the standard objective for both civil society and regulatory agents. The interaction between these two groups has increased within the last decade as international actors have sought to enhance the role for civil society in natural resource management. The Natural Resource and Environmental Governance (NREG) program in Ghana, for example, provided about US $1.8 million to fund workshops intended to help government and civil society develop a framework for collaboration (NREG Workshop October 2014). One public official in Ghana wryly noted that he was concerned about “death from workshops” given the number of meetings organized by state and non-state actors to address natural resource policy broadly, and mineral policy specifically. Within these overlapping governance networks, regulatory and civil society agents advance their agendas within meetings, conferences, and workshops. Often, the same roster of individuals can be found in attendance at these gatherings in order to represent and advocate for their respective organizations and objectives. A civil society representative
argued, “if CSOs remain active and adequately resourced then the space to engage
government remains open as the attitude of government toward advocacy [has changed]
for the better – civil society actions [have become] a part of governance” (#32 October 2014).

While regulatory and civil society agents have been instrumental in
institutionalizing and reinforcing global environmental governance principles in the
domestic context, the extent to which their activities have addressed local problems or benefited non-elites outside of Accra and Freetown is unclear. Most regulatory and civil society agents in Ghana and Sierra Leone are urban elites, and their ability to represent or speak for rural actors is complicated by the fact that neither group possesses or has been able to establish strong subnational linkages. Fanthorpe and Gabelle (2013: 53), for example, argue that while most civil society organizations “have field offices, or at least networks of community contacts (‘point persons’), they have struggled both to sustain engagements with mining-affected populations and develop local case studies with which to address policy at the national level.” Rather, these individuals, entangled within governance networks that tend to look upwards in consideration of global principles rather than downward in consideration of domestic constraints, focus their activities and efforts on aligning national policies with accepted international standards under the premise that rural actors will automatically benefit from the establishment of more inclusive and accountable democratic institutions (Cornwall 2002a). This has led to
an intensive focus on institution building and policy formation at the national level, and a simultaneous lack of engagement with subnational issues.

5.2 Limitations to the Regulatory State

Despite their success in establishing natural resource governance structures that align closely with international standards of best practice, institutional reforms in Ghana and Sierra Leone have struggled to drive real social and environmental change on the ground. Instead, a relatively sizeable gap has emerged in both Ghana and Sierra Leone between policy reforms adopted at the national level and the ability or willingness to implement and enforce those provisions on the ground (Meyer 2010). Civil society actors and some government bureaucrats argue, in particular, that while governance reforms have altered the design of state institutions, they have had relatively little impact on their function or practice in reality. For example, a government official at the Third World Network meeting on the Africa Mining Vision argued, “once things are domesticated there is no follow up; rather, there is a lack of monitoring and implementation. [We] pass laws and regulations but implementation is the challenge” (November 2014). Another Ghanaian civil society representative argued “Ghanaians are good at putting in place a framework on paper – they know how to play the donor game. [However], enforcement is a different process. There is policy analysis but no implementation, [policies] do not reach the bottom [of society]” (#74 CSO January 2015).
This suggests that structural reforms have struggled to produce significant change in the relationship between state and society.

This gap between policy and practice has resulted in at least three major issues in the extractives sector in Ghana and Sierra Leone. First, both Ghana and Sierra Leone have produced public sector institutions that are characterized as “capable but non-responsive” (GoG 2010: 22). In other words, regulatory reforms have established technically proficient bureaucratic structures and agents; however, these agents have been unable to translate and apply their technical capabilities within society at large. This outcome is particularly puzzling for Ghana, which has had a much longer period of time over which to establish and expand its governance institutions. Second, regulatory agents have been unable to reduce the scale of the informal economy in both Ghana and Sierra Leone despite efforts to expand equitable access to natural resources through processes of formalization. The Ghana Shared Growth and Development agenda reports that “in spite of consistent GDP growth over the past two decades, formal sector employment as a percentage of total employable labor force is on the decline: it is estimated that only 8.0% of the total labor force is in the formal sector of the economy with the remaining 92% in the informal sector” (GoG 2010: 12). Although reliable numbers are not available for Sierra Leone, the Agenda for Prosperity similarly notes that “informal employment remains predominant and is growing” (GoSL 2013-2018: xv). Within the informal economy, small-scale and artisanal mining has emerged as a critical
issue for both countries. The most recent Ghana Shared Growth and Development
agenda, for example, remarks that “the menace of small-scale mining, otherwise known
as ‘galamsey’, has become the single most important source of environmental and
natural resource degradation, and constitutes a major economic, social, and national
security concern that requires swift policy action” (GoG 2014a: 66). Increased
competition over scarce land and access to resources between informal and formal actors
has resulted in violent encounters between a variety of different groups. Third,
regulatory agents have been unable to address or alleviate social grievances despite
efforts to expand participation through environmental assessment processes. As a result,
both Ghana and Sierra Leone have continued to experience low-intensity social conflict
in resource-rich areas. In particular, community conflicts around formally licensed
mineral concessions remain prominent.

To explain the gap between policy and practice in Ghana and Sierra Leone, it is
necessary to understand how the regulatory state actually functions in Ghana and Sierra
Leone. The following sections look explicitly at the design of the regulatory state in both
countries, as well as how regulators have addressed issues of access and participation.
The next sections highlight, in particular, the way in which the operation of the
regulatory state in Ghana and Sierra Leone concentrates benefits on a narrow elite
within society, and perpetuates the marginalization of non-elites within rural areas.
5.2.1 Financing Regulation

Despite their natural resource wealth, Ghana and Sierra Leone remain characterized by intense macroeconomic instability. In Ghana, an American Embassy official argued that the Government of Ghana spends 60% of its annual budget on government salaries and 50% of its annual budget on servicing its debt, which means that Ghana begins its fiscal year 10% over budget (US Embassy January 2015). The GSGDA I (2010: 18) similarly observed: “A perennial characteristic of Ghana’s fiscal position is the huge deficits, which have since 1992 become cyclical and tend to worsen in election years.” Macroeconomic stability has been further complicated by “dwindling donor inflows as a result of Ghana’s attainment of middle-income status” (GoG 2014a: xiv). While the road to middle-income status was paved by the discovery of oil and gas deposits in 2007, oil and gas revenues have not been sufficient to compensate for large deficits and the loss of donor funding, leading to “substantial fiscal and balance of payments challenges” (GoG 2014a: xiv). An EU official remarked that as a middle-income country, Ghana’s debt has multiplied by two in two years and that this has affected the availability of funding for the natural resource sector as “non-priority sectors” have seen their support withdrawn (EU April 2015). A World Bank official similarly observed, “environment is a residual issue to fund and government will not fund it [as there are] burning budgetary issues elsewhere” (World Bank October 2014).
Sierra Leone also remains characterized by macroeconomic instability and budget crises. Emerging from the war, Sierra Leone looked primarily to its extractive sector to drive growth and development. Fanthorpe and Gabelle (2013) argue that revenue projections from the extractive sector over the period 2010 to 2030 were based primarily on post-war investments in iron ore. Investments by African Minerals (AML) and London Mining (LM), in particular, were expected to generate significant revenue for the Government by increasing “overall iron ore output” at “reduced unit costs” (Fanthorpe & Gabelle 2013: 70). Optimistic revenue projections put pressure on the Government of Sierra Leone to increase spending in the post-war period in anticipation of future revenues. However, the Government of Sierra Leone struggled to realize these revenue streams as investment dropped off due to the Ebola epidemic that ravaged the country between 2014 and 2016. A civil society representative noted that the government is “hemorrhaging resources because of the Ebola crisis” and that combined with decreases in world commodity prices “the government is broke [and] the country is no longer desirable for investment” (#19 January 2016). This fiscal crisis further strained support for public sector institutions, especially those regulatory agencies engaged in natural resource governance.

Continuing macroeconomic instability in both Ghana and Sierra Leone has made the government an unreliable source of funding for newly designated regulatory agencies. For example, the GoG allocated 3,526,000 GH₵ (about US $890,000) between
2002 and 2006 in the area of environment (i.e., to the EPA); however, of that amount, only 2,800,000 GH₵ (about US $706,000) was actually released (79% of the total allocation) (Bird & Avoka 2007: 9). Additionally, in 2003 and 2004, the Dutch Embassy provided the EPA a grant of US $440,000 to support the implementation of Strategic Environmental Assessments. Bird and Avoka (2007: 21) observe “the amount received was the equivalent of the total combined administration, services and investment components of the EPA’s budget from the consolidated fund in those two years.” A World Bank official in Ghana argued, “It is the case that [there are] no funds for environment. As donor partners pull out, then environment will not be funded at all” (#34 October 2014). Sierra Leone has similarly struggled to prioritize environment in a context of severe financial instability. While the budget for managing natural resources in the Agenda for Prosperity (2013-2017) amounted to $67.47 million, the GoSL has committed to financing only US $3.02 million while development partners have committed $10.25 million (all towards the minerals sector). This means that Sierra Leone faces an 80% shortfall in financing for the natural resource sector, or US $54.02 million.

To address budgeting difficulties, Ghana gradually withdraw government support from about 15 of its public sector institutions. A Ghana EPA official remarked that in 2006 “the government looked at the public sector [and] decided some institutions can operate from their own resources, [that] some were a waste of government funds. An act was passed to that effect separating us from the consolidated fund and getting us
to stand on our own, [although] it was not implemented until about 2013” (#122 EPA April 2015). As a result, between 2006 and 2014 those agencies responsible for natural resource management in Ghana – the Minerals Commission, the EPA, and the Forestry Commission in particular – moved to a configuration where they operated primarily on internally generated funds obtained through their regulatory activities and donor support. In particular, regulatory agencies employed application fees, monitoring fees, the sale of publications, and other public services to fund their activities. An EPA official estimated that about 90% of internally generated EPA funds are currently derived “from the permitting process” (#39 EPA November 2014). A Minerals Commission officer similarly noted that the Minerals Commission depends on internally generated funds for day-to-day operations while donor funding supports specific programming, meaning that most of the activity of the Minerals Commission “depends totally on internally generated funds” (#43 MC November 2014). This officer noted, however, that this model has proven to be “difficult” as internal funds tend to fluctuate with international gold prices and investor interest (#43 MC November 2014).

In addition to internally generated funds, donor support also became critical for Ghanaian regulatory agencies in the wake of state withdrawal. In particular, the Natural Resources and Environmental Governance (NREG) program, led by the World Bank, came to serve as a critical source of funds for cash strapped regulators. An NREG evaluation report observed that budget support to agencies dominated other sources of
financing so that from 2009 to 2011 “combined development partner support from NREG covered about 42 percent of Forestry Commission Expenditures, 67 percent for the Minerals Commission and 63 percent of the Environmental Protection Agency, with much of the remainder coming from internally generated funds…rather than from the general government budget” (WB 2014: 15-16). Another report similarly observed that “the virtually only sources of income of the Minerals Commission over the years of NREG implementation have been from NREG and internally generated income” (SBS-NREG 2013: 51). In 2008, the Minerals Commission received 3.5 million GH₵ from NREG and generated 4.8 million GH₵ from internally generated funds (about US $2,103,398 in total) whereas in 2011, the Minerals Commission received 6.3 million GH₵ from NREG funding and generated 13.9 million GH₵ from through internal funds (about US $5,119,113 in total) (SBS-NREG 2013). Dependence on donor funding has become problematic as “most development partners have not decided to continue to provide budget support to the [natural resources] sector” (WB 2014: X). Despite the donor withdrawal, however, regulators have continued to expect development partners to provide supplementary income to support their activities.

Unlike Ghana, Sierra Leone has no official policy that seeks to withdraw government support from public sector institutions. Indeed, the recently designated National Minerals Agency, which corresponds to Ghana’s Minerals Commission, remains funded primarily by the consolidated budget. However, the fiscal situation in
Sierra Leone has seriously undermined the extent to which government is able or willing to fund the natural resource sector. For example, the Director of Mines lamented that while his department requested 4 billion SLL (US $708,040) to implement regulatory activities in 2015-2016, it received less than 60 million SLL (US $10,620) for the year (#9 January 2016). This paltry apportionment was due to the fact that the entire Agency was allocated only 4.2 billion Le (US $743,442) from the consolidated budget. The same officer argued that “without external funding this is not going to work” (#9 January 2016). While the World Bank and DFID helped establish the Minerals Agency, and provided some logistical and technical support, development partners left it primarily to the government to fund the Agency. As a result, the Agency has few resources with which to execute its mandate. The Director argued that “[we have] 400 officers but only 28 bikes” to monitor mineral licenses in Sierra Leone and most officers are “not doing [their] jobs because they are paid 220,000 SLL, which is less than $40 per month” (#9 NMA January 2016). As a result, the National Minerals Agency is lobbying hard to shift to a system like the Minerals Commission in Ghana where it can generate its own revenue to finance its activities. Currently, the revenue generated from the Agency is channeled to the consolidated fund, and it is not clear that any of it returns to support the Agency. The Director of Mines argued that “yes, we are supported by the government, but that is the problem!” (#9 January 2016).
Sierra Leone’s EPA, on the other hand, is not supported under the consolidated fund. This is mostly likely a result of the fact that the EPA-SL was modeled on the Ghanaian structure after it had begun to transition to a self-financing model. An EPA-SL director noted that for the first two years the government did help support the EPA; however, the EPA no longer receives financial allocations from the government (#3 EPA-SL January 2016). Rather, the EPA generates revenue from EIA licenses, monitoring, application forms, and ground truthing to fund its activities. Regulators are also currently amending the EPA Act, 2008 to institute fees, penalties, and fines for non-compliance (#3 EPA-SL January 2016). In addition to internally generated funds, the EPA-SL has received support from the EU, which provided US $4 million in technical assistance, and UNDP. An officer remarked, “the EU assisted us a lot to be honest with you, it helped implement [the] start-up phase” which included purchasing equipment as well as other logistical support (#3 EPA-SL January 2016). However, internal funds remain the most important funding source for this nascent organization. In 2014, the EPA-SL generated 17,698,965 SLL (US $3,132,893) in revenue through regulatory activities where in 2015, it generated 18,592,755 SLL (US $3,291,103) (Table 1). Massive funding discrepancies between the Minerals Agency and the EPA-SL has led the Agency to push more strenuously to become independent from the government budgeting process.
Table 1: EPA-SL revenue in 2014 and 2015

<table>
<thead>
<tr>
<th>Internally Generated Revenues in USD</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensing Fees</td>
<td>2,672,580</td>
<td>2,648,454</td>
</tr>
<tr>
<td>Monitoring Fees</td>
<td>533,423</td>
<td>474,069</td>
</tr>
<tr>
<td>Screening &amp; Application Fees</td>
<td>3,328</td>
<td>4,812</td>
</tr>
<tr>
<td>Ground Truthing Fees</td>
<td>81,418</td>
<td>5,558</td>
</tr>
<tr>
<td>Refrigerants Permit</td>
<td>354</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,291,103</strong></td>
<td><strong>3,132,893</strong></td>
</tr>
</tbody>
</table>

Source: EPA-SL 2016

5.2.2 Reinforcing Elite Regulation

This financing structure has been championed as an effective way to increase regulatory effectiveness and autonomy in Ghana and Sierra Leone. The Deputy Executive Director of the Ghana EPA argued: “there was a lot of support for [self-financing] from the EPA. It has helped us maintain high quality staff, increase our presence in the districts, and [made us] more effective on the ground” (#122 EPA April 2015). Another Ghana EPA officer remarked: “free from government payroll, we are able to do more because we have financial autonomy and government can’t cut [our] budget. This changes how people see the EPA. [It] makes us more professional. [It] makes us look more autonomous, even though we are not really. [It] makes us work harder [because] we are bringing in our own salaries” (#37 EPA October 2014). Yet another Ghana EPA officer at the subnational level observed, “bold decisions [can be made]
when not funded by the government – [we are] not hampered by government. If [an agency] is in the government, its budget can be cut to control the agency” (#78 EPA January 2015). Similarly, an EPA-SL official noted, “[We have] no support from government – all functions are self-funded [in order] to ensure [we are] autonomous, that we are not being controlled or state managed” (Personal Communication EPA-SL January 2016). While it does appear that financial independence has provided Ghanaian regulatory agencies with greater autonomy, this does not seem to be the case in Sierra Leone. The same EPA-SL officer admitted that “there is political interference – yes, the top aides of the president will interfere. However, our leadership will get involved to defend the EPA” (#8 EPA-SL January 2016). A comparison of Ghana and Sierra Leone’s regulatory context suggests that given more time, Sierra Leone’s institutional structure may also develop to become more independent of the political state.

Despite support for self-financing at the domestic level, this model has produced an incentive structure in which regulatory agencies benefit by engaging in those activities that can generate the most revenue to best support the agency. This has created a significant conflict of interest between regulators and those they regulate, and has served to undermine the credibility of their regulation (Starobin & Weinthal 2010). A Ghanaian civil society actor criticized this relationship, arguing that “regulation has been compromised by dependence on those [they should be] regulating” (#121 WACAM April 2015). Another civil society actor argued within the context of an artisanal and
small-scale mining forum that “rather than having a minerals commission, which is revenue focused, we need a governance institution interested in the development of the mining sector – [in other words], artisanal and small-scale mining and large-scale mining need to be given equal policy weight” (TWN Forum November 2014). Beyond credibility, this institutional design choice has impacted regulation in Ghana and Sierra Leone in three major ways.

First, regulatory agents have tended to be more responsive to development partners in order to attract opportunities for international funding. Campbell (2006: 35) highlights, in particular, how external reforms “distort the structure of accountability by encouraging national authorities to be more responsive to financial markets and multilateral institutions than to fledgling parliaments and citizens.” In Ghana, as noted above, regulatory agents involved with NREG funding spent a disproportionate amount of time engaged in high-level policy activities to the exclusion of actively addressing ongoing problems on the ground. An NREG evaluation report hinted at this problem, noting that “there was general agreement from development partners and civil society that policies that were produced were of high quality, though there were widespread concerns about the ability of agencies to fully implement them” (WB 2014: 52). Indeed, despite the design of the NREG program – which used a sector budget support approach to supplement the government budget rather than directly fund project activities – agencies continued “to hold development partners responsible for providing
sustained financing rather than the government” (WB 2014: 15-16). As a result, agency staff perceived the money “as having come from the development partners rather than from the government, and described many regular operational activities as having been funded ‘by NREG’, even down to district level staff” (WB 2014: 15-16). The cessation of NREG funding created great anxiety among Ghanaian regulators, many of whom fully expect that they simply need to bide their time until “more secure funding comes through” (#37 EPA October 2014).

Second, the self-financing model has focused regulatory activities on large- and small-scale multinational mining companies, often to the exclusion of domestic artisanal and small-scale actors. Regulatory actors can generate substantial revenue from large- and small-scale mineral concessions through screening, licensing, and monitoring fees. The amount of revenue that these agents can generate from the domestic small-scale or artisanal sector is negligible in comparison. As such, artisanal mining has remained a low priority for national regulators and these actors have struggled to gain access to mineral resources despite the presence of licensing processes that theoretically balance opportunities for access. For large-scale and small-scale (mostly multi-national) private actors, social and environmental compliance measures tend not to be cost prohibitive, and is something these actors would be required to do anyway to comply with global extractive standards. The World Bank observes that “major international mining companies have adopted their own environmental protection standards which equal,
and sometimes exceed, internationally recognized standards such as those of the U.S. EPA” and that “many of these companies initially adopted this approach because of pressure from shareholders and lenders, and a sense of corporate responsibility in the face of ever stronger public criticism” (WB 1992: 48). Indeed, an Environmental Officer with Adamus in Ghana argued that mining companies are impacted by the “multinational effect” which requires them to standardize their operations to meet international social and environmental standards (#95 Adamus February 2015). Specifically, “[Adamus has] loans from banks that want us to follow stringent environmental requirements…no mine wants to be caught up in the bad PR net – this empowers the [regulatory agencies] more because we have to be seen following the laws and doing the work” (#95 Adamus February 2015). Newmont officials similarly contended that “Newmont would [maintain high environmental standards] anyway [and] mostly [Newmont] does more than regulators expect due to internal standards” (#113 Newmont March 2015). This has created a reciprocal relationship between large-scale and some small-scale multinational corporations and the state in that private companies are willing (and able) to pay in order to obtain preferential access from the state.

Mineral licensing in Ghana and Sierra Leone has thus been designed to generate as much revenue as possible. In an interview with Adamus Resource (a subsidiary of Endeavour Mining Corporation), the Environmental Officer explained, for example, that
within the Minerals Commission there are applications fees, processing and consideration fees, license fees, and annual renewal fees for operating permits (#95 Adamus February 2015). On the environment side, companies are required to pay for the EIA process, which may include a costly public forum, the environmental permit, the preparation of an environmental management plan, and the issuance, ultimately, of an environmental certificate (which is about $15,218) (#95 Adamus February 2015). The EIA process, in particular, has become so intensive that most companies employ private consultants that specialize in completing environmental and social impact assessments to do the work. An EPA officer in Ghana noted, “initially consultants were from outside but now companies are teaming up with local consultants – [at least] 10 are very active [in Ghana]” (#39 EPA November 2014). To comply with social and environmental regulations in Ghana, Adamus Resources budgets between US$3-4 million annually (#95 February 2015). The Adamus official argued: “we never stop working with the Minerals Commission – they have an inspectorate division that comes quarterly and we report to them every month. An environment report goes to the Minerals Commission monthly [but] an environment report also goes to the EPA and Water Commission quarterly. [There are] turf disputes between regulatory agencies…every mining company will tell you this. The Minerals Commission and the EPA, they have different mandates but overlap in sector areas like environment. Any permit is charged a fee [and] the same activity can be charged more than once [by different agencies] because each gains
individually” (#95 Adamus February 2015). When the Adamus Environment Officer learned that the EPA and Minerals Commission had moved to a self-financing model, he responded: “that is why they are charging like that” (#95 Adamus February 2015). The Newmont Mine in Brong-Ahafo similarly noted that the company spends about $1 million to comply with social and environmental regulations annually, about $350,000 of which goes directly to the EPA, Minerals Commission, and Water Resources Commission (#113 Newmont March 2015). Newmont officials were aware that regulators had been “weaned off public funding” and that had the “perception of an increase in revision of fees...[we] expect more ‘fines’ and site visits. [Regulators have been] finding more and smaller technical fees [which] the industry pays directly to them. The Minerals Commission [in particular] has lots of levies across operations, mining, and processing” (#113 Newmont March 2015).

The focus on large-scale mining regulation means that the Minerals Commission and EPA tend to be overwhelmed by processing applications for and monitoring the work of these companies. The Environmental Superintendent of Gold Fields Ghana Limited argued that low capacity and delays in the system were a problem for the company, noting “[Gold Fields] can really tell they are trying but there is a huge number of mining companies and material going to the EPA [and] growth in the EPA staff is not commensurate with growth in the mining sector” (#58 Gold Fields November 2014). Newmont similarly contended that if regulators wanted to increase fees they would
need to “quicken their steps to produce better results directly for their clients” (#113 Newmont March 2015). The Adamus officer admitted he was “amazed at how they even work…[regulation] seems to be centralized even though they have [regional offices] [and] all important information goes to Accra. Overall, this makes processing extremely slow [although] the speed of the process depends on the relationship [the company] has with [the regulators]. Ultimately, the Minerals Commission is better and faster than the EPA” (#95 Adamus February 2014). This situation has been exacerbated by the emergence of oil in the extractive sector, which has come to dominate the work of the EPA in Accra and the Western Region. An EPA officer in the regional office of Sekondi noted that the EPA added 15 people to its staff and planned to open at least 30 addition district offices by the end of 2015 to accommodate increased workloads since the discovery of oil. Newmont also complained that the production of oil had created additional “capacity constraints” for the EPA (#113 Newmont March 2015).

In contrast to Ghana, Sierra Leone is characterized by fewer large-scale multinational companies. This has created an impetus for the EPA, in particular, to intensively focus on expanding its revenue generating capacities with smaller multinational mining companies that may feel less pressure to comply with international standards, especially in a post-war context that remains characterized by substantial lawlessness. An EPA officer noted that with small companies the challenge remains “land reclamation – companies will start the job, then abandon the site and
disappear” (#13 EPA-SL January 2016). As these companies have attempted to evade costly EPA regulations, the EPA has increased the number of activities for which it can charge fees. For example, an NMA officer in Bo argued that companies “take out exploration licenses [and] then take out artisanal concessions on those exploration sites to mine. This is to avoid paying the EIA fees. Now, the EPA wants to charge exploration fees [to capture] these companies [but NMA] is afraid that will also decrease exploration investment” (#24 NMA January 2016). After the EPA proposed to charge fees for exploration on small-scale concessions, the NMA officer claimed that small-scale exploration licenses dropped from 45 to about 5 in Bo District, and that out of those 5, only 2 are compliant in terms of administrative obligations [with the NMA specifically] (#24 NMA January 2016).

An interview with a small-scale multinational mining company operating on an exploration concession in northern Sierra Leone reinforced the idea that revenue generation is a chief concern for regulators. The Chief Geologist of AMR argued that the intent of regulation in Sierra Leone:

...is to make money from you and that’s it. [The NMA] does not read letters, they do not respond. Most companies [employ] bribes to get things done. [The respondent] knows a lot of guys at the NMA [which is helpful] because personal relationships help protect the company. [Specifically] you have to have either political support or personal networks – otherwise companies do not enjoy protection. Other companies [without protection] have to pay, pay, pay.” (#54-55 AMR February 2016).
With regards to the EPA-SL, AMR noted that: “EPA fees are higher than in other West African countries – the EPA is a money making machine for government [and] as long as they are bringing in revenue [they] don’t really care [about environment]. [AMR spends] at least $50,000 for an environmental license and [there is] a $50,000 annual fee thereafter” (#54-55 AMR February 2016).

The third impact of the self-financing model in Ghana and Sierra Leone has been to increase competition between regulatory actors themselves to generate revenue. In a context where institutional survival depends on a capacity to generate revenue from clients, regulators have increasingly come to view themselves as quasi-governmental agencies or independent service providers rather than as public agencies responsible for supplying public goods and services. For example, a regional EPA official in Ghana argued that the autonomous funding structure required “strategic thinking: [the EPA] must be creative to make a lot of money...[we can] research, publish, provide consultancy [services] to other groups. We are not just [reliant] on permitting, there are endless areas to generate funds” (#78 EPA January 2015). This foray into “business management” has put agencies into direct competition with each other. In Ghana, Newmont argued that mining companies constantly have “to serve two masters” (#113 March 2015). Mine officials explained, for example, that if the company wants to reduce water in a dam to half its level they are required to consult the Water Resources Commission and the EPA, both of which may charge fees for the same activity while
relaying different or contradictory compliance requirements. Similarly, the Gold Fields Environment Officer argued that there are “huge conflicts among regulators in terms of performing functions, especially between the Minerals Commission, EPA, and the Water Resources Commission” and that “it is a worrying situation” (#58 November 2014). The Gold Fields officer gave as an example a recent attempt to modify a tailings dam (a structure built for the purposes of storing mine waste and water from the milling process) which required paying for an EPA permit, a Minerals Commission inspectorate division fee, and a Water Resources Commission permit. In addition,

…the Minerals Commission said [we needed] a particular liner [to line the dam to prevent seepage] [while] the EPA said no – they want another [particular] liner. Who are we to obey? [Regulators] have not unified their own requirements [which stems] from the fact that they are almost autonomous and must generate their own funds. Therefore, they tend to crisscross (#58 Gold Fields November 2014).

Competition between regulatory agencies in Sierra Leone has been heightened by the EPA-SL’s attempts to expand its scope of operations, which has impeded on the institutional authority of the Ministry of Mines and National Minerals Agency. In particular, the EPA-SL has attempted to expand its mandate within the minerals sector in order to put itself in a stronger position to generate revenue, enhance its political authority, and deal with compliance issues. The Director of Mines at the Minerals Agency, for example, commented that he was unsure as to whether the EPA’s motives were about “environmental protection or just about generating fees” (#9 NMA January 2016). The NMA may be particularly worried about losing control of mineral activities if
it moves to an autonomous position within government, which would enhance the importance of those activities to generate revenue for its own survival. The Ministry of Mines and NMA have attempted to mitigate the effects of the EPA’s expansion by maintaining control of different aspects of the minerals licensing process. For example, the Mines and Mineral Resources Act of 2009 provides that “the Minister shall require an environmental impact assessment license as prescribed under the Environment Protection of 2000 as a condition for granting a small-scale mining license or a large-scale mining license” (GoSL 2009: 131s132). Section 175(3) of the Mines and Minerals Act gives the Minister further power, in consultation with the Board of the Environmental Protection Agency, to “make regulations restricting or prohibiting exploration or mining operations for environmental reasons and setting out terms and conditions of environmental impact assessment required under this Act” (GoSL 2009). Additionally, Section 133 of the Act requires that an environmental impact assessment be prepared in accordance with international standards in mining best practice rather than in accordance with the EPA Act, and specifies that environmental management plans created on the basis of the impact assessment should go directly to the Director of Mines, who then forwards copies to the EPA.

Fanthorpe and Gabelle (2013: 32) argue that it is “hard to see these provisions as anything other than a reassertion of the primacy of the [Ministry of Mines], after the enactment of the EPA Act, in mining license administration.” Despite this struggle for
authority in the mining sector, the EPA seems to have retained its position as the lead authority on environmental and social issues related to environmental licensing for mining activities (Fanthorpe & Gabelle 2013). However, this authority has been easily (and somewhat ironically) undermined by the Agency’s proximity to the office of the President. For example, the EPA attempted to formally solidify its position as the lead government institution with respect to environmental and social issues in mining via the 2013 Environmental Protection (Mines and Minerals) Regulations. These regulations require an EIA project screening application be submitted for any extractive activity – including mineral exploration and artisanal activities. Through the project screening process, the EPA assigns the project to one of four categories based on set environmental and social screening criteria, and depending on the category in which the activity is placed a license holder may be required to undertake both an Environmental Impact Assessment and a Social Impact Assessment (significant impacts), a simplified Environmental and Social Impact Assessment (moderate impacts), or simply comply with reporting requirements (few impacts) to obtain an operating license. As noted above, the EPA used these regulations to expand their authority to regulate the activities of licensed exploration companies operating in Sierra Leone and require that they obtain an EIA license. To enforce compliance, the EPA initiated four court cases against mineral exploration companies which, guided on advice by the Ministry of Mines and the NMA, refused to obtain EIA licenses for exploration (EPA Document 2016). The Ministry and
the NMA argued that the 2013 Regulations contradicted the Mines and Minerals Act of 2009, and that the 2009 Act took precedence in mineral licensing. Before the courts could adjudicate the matter and delineate institutional responsibilities in the licensing process, however, the Office of the President interceded. The EPA was asked to withdraw the matter from court and bring it to the Attorney General for internal resolution because the President did not want a dispute between regulatory agencies aired in public. An EPA-SL officer noted specifically that “the EPA has been taken to the President – [the President] does not want [us] to be seen fighting one another, that is why the exploration [issue] went to the Attorney General” (#13 EPA-SL January 2016). As of March 2016, the matter has not been resolved, and continuing conflict between the NMA, EPA, and Ministry of Mines is creating regulatory tension that is contributing to social conflict. The same EPA officer argued: “As far as the EPA is concerned – [exploration and artisanal] mining are covered [by the regulation]” (#13 EPA-SL January 2016). This issue will be reviewed in greater detail in Chapter 6.

5.3 Inhibiting Access

Within this context, mineral and environmental licensing processes have served to further restrict, rather than facilitate, mineral access among actors in Ghana and Sierra Leone. In particular, Ghana and Sierra Leone have struggled to achieve their vision of a foreign-propelled large-scale mining sector operating in tandem with a regulated domestic small-scale mining sector because underlying policies and structural
constraints have continued to privilege the large-scale sector to the exclusion of small-scale and artisanal actors. As a result, domestic artisanal and small-scale actors have increasingly turned to the informal (unregulated)\(^3\) mineral economy to access mineral resources, generate cash income, and sustain livelihoods. The resulting conflict between informal miners and the state, multinational mining companies, and communities has contributed to insecurity and environmental degradation across rural areas in both countries. This increase in informal activity in Ghana and Sierra Leone mirrors broader global trends in which the informal economy has grown in step with modern capitalist development (Sepulveda & Syrett 2007). Scholars have attributed the expansion of the informal economy to a capitalist system which grants the “privilege of legal participation it the formal economy to a small elite only” (Sepulveda & Syrett 2007: 92) [see also De Soto (1989)]. Indeed, informal miners in Ghana and Sierra Leone have been primarily driven to engage in “galamsey” by the exclusive nature of governance reforms, which have primarily served to concentrate benefits, especially mineral access, on foreign multinationals (Hilson & McQuilken 2014). However, despite the need-driven nature of the informal mineral sector, informal artisanal and small-scale miners retain a reputation as rogue entrepreneurs that mine informally in order to evade state taxes and social and environmental regulation. Domestic attitudes toward the informal mineral

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\(^3\) While artisanal and small-scale mining has long been an important aspect of the Ghanaian and Sierra Leonean economy, domestic artisanal miners only recently became “illegal” in the context of national laws meant to bring these actors under state control.
sector, in Ghana especially, have only worsened in the past decade (Hilson & Yakovleva 2007). This has been partially propelled by the fact that the artisanal and small-scale sector has become increasingly diversified and mechanized as foreign nationals attracted by high global commodity prices, the Chinese especially, have infiltrated the artisanal and small-scale sector in Ghana and Sierra Leone. The medium-scale unregulated mining operations which have emerged within this new context has ultimately served to further drive insecurity and environmental degradation.

In response to the surge in informal mineral activity, the regulatory states in both Ghana and Sierra Leone, supported by major development organizations like the World Bank and United Nations, have embraced a policy of formalization – defined by Maconachie and Hilson (2011: 294) as “the process of registering and organizing unregulated mining” – to enhance opportunities for mineral access, regularize the informal economy, and help the state better capture revenue from the small-scale and artisanal sector. Formalization policies are premised on the idea that the costs of ‘going formal’ are the primary barriers to realizing a regularized artisanal and small-scale sector. As such, regulators in Ghana and Sierra Leone have engaged in designing new mineral policies and implementing technical reforms to the mineral licensing framework that provide “simple, quick, inexpensive, and geographically accessible” registration and permitting (Sepulveda & Syrett 2007: 91-92). Across the board, the formalization of informal activities through such ‘legalist’ deterrent-centered approaches have been the
most common response to the informal economy (Sepulveda & Syrett 2007). Sepulveda and Syrett (2007: 91) argue:

Advocates of what may be termed the ‘legalist’ deterrent-centered approach sustain that public policy should correct the roots or the fundamental causes of informality by reducing heavy tax burdens and complex state regulatory systems and by enforcing the reign of the law more rigorously. This view is informed by a belief that should these legal–regulatory imperfections be corrected, informal economic agents will ‘choose to go formal’. This represents an ‘indirect’ approach towards intervention in which the state, and not the individuals and businesses operating in the IE, is the main policy target. The state’s regulatory framework thus becomes the main cause of the IE as well as its main solution.

In line with the legalist deterrent-centered approach, Ghana and Sierra Leone have focused formalization activities around amending laws and policies to better recognize the artisanal and small-scale sector, designating and reserving areas for small-scale mining, improving the licensing process, and providing extension services and support for artisanal and small-scale actors. To help guide these activities, Sierra Leone drafted a policy document entitled “Details of Policy Measures Related to Small-Scale and Artisanal Mining and Marketing of Precious, Industrial and Sand Based Minerals” in 2013 (GoSL 2013). The Director of Mines at the National Minerals Agency in Sierra Leone argued that a major priority of the policy “is to move [the informal artisanal and small-scale] sector forward through formalization but in line with the [African Mining Vision]” (#9 NMA January 2016). Similarly, Ghana drafted an “Artisanal and Small Scale Mining Framework” in 2015, and made the “promotion of efficient artisanal and small-
scale mining operations” a central provision in its in its 2016 Minerals and Mining Policy (GoG 2016; MC 2015). A Minerals Commission officer argued that the goal is to “bring galamsey into the mainstream [and] put measures in place to make it easy for them” (#43 MC November 2014). These policies assume that 1) making mineral and environmental licensing easier will encourage the regularization of unregulated miners and 2) formalization will lead to sustainable mineral extraction. Additionally, formalization has been touted within Ghana and Sierra Leone as a way to access and secure government support for small-scale and artisanal activities. Maconachie and Hilson (2011: 294) argue that proponents of formalization see it specifically as a way to channel benefits “to miners at the bottom of the production chain, and, in the process, impoverished, mineral-rich communities will become more prosperous.”

While regulators in both Ghana and Sierra Leone have intensively pursued the concept of formalization, especially within the past five years, these policies and reforms have struggled to improve mineral access for domestic small-scale and artisanal actors. In particular, formalization policies have not addressed structural constraints that continue to make the cost of “going formal” and “staying formal” excessively high for small-scale and artisanal actors. The exclusive nature of governance reforms thus continues to concentrate benefits on those individuals in society with the social or material resources to navigate formal processes. As a result, non-elites, facing high barriers to entry, tend to remain outside the formal economy unless they have the
benefit of an elite patron that can financially and technically support them through the formalization process. Three issues, in particular, serve to limit the extent to which formalization can expand access beyond societal elites.

First, regulators within Ghana and Sierra Leone lack the resources necessary to implement formalization policies. In Ghana, for example, the Minerals Commission has aimed to improve small-scale and artisanal mineral access by putting measures in place to “make it easy for Ghanaians to acquire rights” (#43 MC November 2014). Specifically, regulators have attempted to decentralize and streamline the mineral and environmental permitting process, set up mining centers strategically located near areas with a heavy concentration of informal mineral activity to provide extension and monitoring services, conduct minerals exploration and establish mining cooperatives, and reserve land for small-scale and artisanal activities (#43 MC November 2014). However, Ghanaian regulators have struggled to achieve any of these objectives because they have not been able to secure funding. For example, the 2015 “Artisanal and Small Scale Mining Framework” assigned 75% or US $19,087,760 of the budget proposed to fund formalization activities to development partners through the NREG – a funding source that no longer exists (MC 2015). The remaining budgetary requirements were divided between the state and the regulators: the state was expected to provide 25% of the remaining budget while regulators were expected to provide only $10,000 or 0.03% through internally generated funds (MC 2015). The lack of funding available for
formalization activities has impeded the ability of the Minerals Commission to explore and prospect lands suitable for small-scale and artisanal mining, support the establishment of mining cooperatives, and provide extension services to small-scale actors (WB 2014). As a result, one of the primary benefits of formalization – access to government extension and support services – has remained relatively unrealized. A Minerals Commission officer in Tarkwa argued that much of the lands designated for small-scale mining “are not prospected – no one wants to work them because they think gold is not there…[there is] no geological information on areas we are giving out” (#56 MC November 2014).

Second, the process of licensing and permitting for non-elite artisanal and small-scale miners remains expensive, time-intensive, and susceptible to rent-seeking. In Ghana, neither the Minerals Commission or EPA are fully decentralized, meaning that everyone must eventually come to Accra to obtain their final licenses and permits (#43 MC November 2014). The process begins at the Minerals Commission where applicants are required to submit ten copies of a completed Small-Scale Mining Application Form, along with a cadastral map of the area of interest, to one of the nine mining district centers established by the Minerals Commission. These mining centers are responsible for screening and appraising applications before sending them on to the head office in Accra. In addition, small-scale and artisanal mining applications must be posted on the noticeboard of the District Assembly for three weeks to provide an opportunity for
public comment, and all applications submitted to the Minerals Agency must be accompanied by a letter from the District Assembly confirming compliance with this requirement (#122 April 2015). Applicants must then complete an environmental impact assessment specifically for artisanal and small-scale mining. The entire process can be extremely costly, especially for rural actors who engage in small-scale and artisanal mining to eke out a living. The Minerals Commission charges applicants 100 GHS ($25) for application forms, a 250 GHS ($63) processing fee, a 550 GHS ($139) consideration fee, and, if the project is approved, 900 GHS ($228) for the license. Additionally, the applicant can pay up to 1,000 GHS ($253) for the preparation of the cadastral map. The EPA, likewise, may charge a $300 processing fee and a $2,100 permit fee for small-scale mining applications or a $250 permit fee for artisanal applications. Applicants are also required to pay a number of other fees, including duties to the District Council, court duties, and stool land registration, as well as providing compensation to land owners.

Interviews with formal artisanal groups reveal exactly how cumbersome this process can be for applicants. For example, the mining director of the Akwamu Small-Scale Mining Company, which had set up an unmechanized artisanal project on a ceded portion of the Adamus concession in Ellembelle District, noted that the licensing process took one year from start to finish (#98 February 2015). For this particular project, the project patron, a Ghanaian-American, first had to work with Adamus Resources, the company which retained the rights to the land in the area, to shed a portion of their
concession for the artisanal mine. Once the land was acquired, the patron and mining
director prepared the application to submit to the Minerals Commission and EPA. The
patron argued that although the “process on paper is easy,” it was extremely difficult to
navigate a “highly bureaucratic process” that was “not clearly defined.” In addition, the
process was “very expensive” as most of the work (estimated 70%) had to be done in
Accra and required a substantial amount of informal payments to make the process
move forward (#98 February 2015). The mining director remarked in particular that
documents tended to “get lost,” and additional fees were required to resubmit those
documents or to reacquire signatures. Interestingly, only domestic small-scale and
artisanal actors like Akwamu indicated paying bribes or fees to move through the
licensing process. None of the large-scale mining companies suggested that this was a
problem. Indeed, a representative with the Ghana National Small Scale Mining
Association similarly argued that “applications can lay on [regulators] desk for a year
unless you use the back door” (#61 November 2014).

The process is somewhat less cumbersome in Sierra Leone as it has been fully
decentralized to the National Mineral Agency’s regional offices, although rent-seeking
remains a major problem for artisanal applicants. An applicant for an artisanal license is
required to provide a site map of the proposed project, a document describing the
mining activities to be undertaken, an Environmental Management Plan, and
documentation that confirms that the project has been approved by the chief in the area
and any land owning families (#24 January 2016). In particular, applicants must negotiate surface rents with the chief and land owners, pay the surface rent, and submit the receipt with the application. The cost to obtain the artisanal mining license in Sierra Leone was about 1,140,000 Leones ($201), although this varied depending on the amount of side payments necessary to make the process move forward. While the EPA currently plays a limited role in the artisanal licensing process, it has been trying to insert itself to better regulate the environmental impacts of the artisanal sector as its “cumulative effects [are] very huge” (#9 January 2016). According to the EPA, the Environmental Protection Agency (Mines and Minerals) Regulations, 2013 give the agency the power to regulate the artisanal sector. Within this framework, artisanal mining applicants would need to submit an initial screening application to the EPA that would determine whether an EIA was needed. The NMA officer in Bo argued that the “EPA is interested in revenue generation in that sector but they do nothing and it would be a poor choice to introduce new fees to the process” (#24 January 2016).

Finally, even if an artisanal and small-scale actor makes it through the cumbersome and costly licensing process, both Ghana and Sierra Leone have been unable to guarantee small-scale and artisanal actors access to land at a scale that would make a difference to the number of informal actors currently operating across both contexts. In both Ghana and Sierra Leone, much of the viable land has already been distributed to multinational companies that are unwilling to release it back to the state.
The Ghana Minerals Commission claims that this is not actually a valid complaint because mining companies are required to shed unused portions of their concession annually, and that at least 5,500 square kilometers of land has been designated for small-scale and artisanal mining purposes (#43 November 2014). However, a Minerals Commission officer at the subnational level disagreed with this assessment, noting “[we] don’t have enough land for small-scale actors to work legally…many people apply for concessions – but it is on large-scale land [and they] would need letter from large company [indicating that the land had been released]” (#56 November 2014). The Environment Officer at Gold Fields concurred, observing: “Ghana got carried away demarcating concessions to large companies, for example Gold Fields was awarded 208 square kilometers. They did not consider small-scale mining despite the fact that it is an ancient business [and] that was the first mistake… not to recognize small-scale mining. [Regulators] now want to formalize Galamsey [but] they need permits. Many [people] apply to the Minerals Commission but then realize that their application is on a large-scale concession. [Mining applicants] try to go to the company and get a letter [committing the company] to shed land. The government further asks the company to identify “active sites” [and to shed non-active sites] – but the concession has already been awarded [and] there are no backsies” (#58 November 2014).

The focus on large-scale exploration in Sierra Leone, too, has crowded out small-scale and artisanal actors. According to the Mines and Minerals Act, 2009, artisanal
concessions are valid for a one-year period, and can be renewed annually for up to three years (not exceeding one year at a time). However, numerous artisanal actors mentioned during fieldwork in 2016 that recent petitions to renew artisanal licenses had been rejected by the National Minerals Agency because the land had been re-assigned to a multinational exploration company. An NMA officer in Bo agreed that competition with large-scale exploration had significantly impacted artisanal actors in his region: Bo regional office issued 212 licenses in 2013, 165 licenses in 2014, and only 112 licenses in 2015 (#24 January 2016). The NMA official ascribed this precipitous drop off in license renewals to the increase in large-scale exploration activity in the region, noting the “central office is issuing licenses to exploration companies in areas designated as artisanal [and] because of [this] exploration, it is making it difficult for artisanal miners” (#24 January 2016). The Director of Mines in Freetown similarly remarked that “artisanal miners [are] being chased out by companies” and that the government needs to be careful to protect the interests of artisanal miners “as the government wants to promote exploration [and] it is difficult to balance large-scale contracts [with] artisanal miners” (#9 January 2016).

Ultimately, the difficulty involved in regulating and regularizing informal mineral activity has encouraged regulators to continue to focus extensively on large-scale actors, and all but ignore illegal activity. In Ghana especially regulatory agencies have passed the burden of dealing with the informal sector to the Executive Branch. A
Minerals Commission officer argued, “if [someone is] operating illegally – that becomes outside our box. [We] let law enforcement officials take care of it” (#43 November 2014). Similarly, and EPA official declared that informal mining had become a national security issue and that “EPA used to go [to enforce] but now it is too dangerous. It is a national security issue. [The regulators] are trying to change artisanal and small-scale mining laws, and trying to get licenses for excavators” (#37 EPA Oct 31). Only the Forestry Commission has attempted to address illegal activity directly through the formation of Rapid Response Units – armed teams that work to eliminate illegal activities in forest reserves. The implications of transferring regulatory responsibility to the Executive Branch, as well as the increasing militarization against informal miners, will be discussed more explicitly in the next chapter, as it is fairly specific to the Ghanaian context.

5.4 Inhibiting Participation

In addition to regulating mineral access, the regulatory state in Ghana and Sierra Leone has been charged with mitigating the social and environmental impacts of mining projects, ensuring the equitable distribution of benefits related to mineral resources, and implementing processes to address and resolve social grievances around natural resource extraction. To address these obligations, the regulatory state has turned primarily to developing policies, legislation, and governance tools that enhance information flows between state and society, and facilitate citizen participation in
decision-making processes. This turn toward transparency and participation in natural resource governance reflects broader trends in global environmental governance that view information sharing, consultation, and participation based on ‘free and prior informed consent’ as necessary to drive sustainable development, reduce resource-related grievances, and stave off social conflict (Fenster 2006; Haufler 2010). Haufler (2010: 55) observes that “proponents of transparency argue that it makes markets work more efficiently; enhances trust and cooperation; strengthens institutions; reduces corruption and mismanagement; enables people to hold others accountable for their actions; and increases the legitimacy of decisions and institutions.” In Ghana and Sierra Leone, information-sharing processes and platforms, like those provided by environmental assessments and the EITI, have become the primary method by which regulatory agents address issues related to environmental and social impacts, resource-related grievances, and benefit sharing. While environmental assessments have become critical in identifying the impacts of mineral projects and providing platforms for citizen engagement, the EITI has provided a framework to publicize information and consult the wider public about natural resource revenue flows. This section focuses specifically on environmental assessments as a way to enhance participation while issues of benefit distribution are discussed in the next chapter.

Environmental and Social Impact Assessments (ESIAs), defined by the UN as “an analytical process that systematically examines the possible environmental [and social]
consequences of the implementation of a project, program, or policy,” have become a critical component of the mineral licensing process in both Ghana and Sierra Leone (UN 1997). The Council on Environmental Quality in the United States notes that environmental assessments have two major purposes: to ensure that decision makers are making informed choices regarding project impacts on the environment and society and to provide an open venue through which citizens can participate in decision-making processes (CEQ 2007). In Ghana and Sierra Leone, the regulatory state has employed ESIs to monitor investment activity related to resource extraction, minimize the negative social and environmental impacts of mining projects, and provide a standard framework through which citizens can ask questions, voice complaints, and address potential grievances. Brown et al. (2013: 337) emphasize, for example, that “stakeholder engagement in environmental assessment processes can provide a platform for bringing divided communities together or create new channels for different segments of society to communicate and cooperate over a common issue.” Additionally, ESIs have become critical for clarifying questions about land and crop compensation, and ensuring that communities adjacent to mining concessions directly benefit from extractive activities through corporate social responsibility. In Sierra Leone, for instance, mining companies are required to implement Community Development Agreements (CDAs) that are negotiated through the ESIA process (Fanthorpe & Gabelle 2013). Within this context,
ESIAs have become critical tools to make communities and local knowledge more legible to both companies and the state (Scott 1998).

Both Ghana and Sierra Leone have modeled their environmental assessment processes on standard templates promoted by international actors like the World Bank (Goldman 2005), and these processes have been further developed and shaped through international financial and technical assistance programs. For example, the EPA-SL collaborated with a host of international and regional organizations, including UNEP, UNDP, and the Ghanaian EPA, to enhance its capacity to effectively implement environmental assessment processes. Brown et al. (2013: 336) further notes that the 2011 World Bank and DFID funded Extractive Industries Project in Sierra Leone “developed a series of environmental and social regulations” that served to “lay out clear expectations with regard to the EIAs, [and] establish a timeline for submission of the EIAs and for their review by the EPA-SL.” As such, the ESIA process in Ghana and Sierra Leone are relatively similar and will be treated as such unless otherwise specified. The environmental assessment procedure for mineral extraction in both Ghana and Sierra Leone begins with the submission of a “screening” application or “registration form.” The EPA reviews the screening application in order to determine the potential environmental and social impacts of the project, and assign a project category (i.e., no

4 EIA processes have become standard for determining environmental and social impacts in over 100 countries worldwide, and most assessment processes follow the steps of a generic EIA (as set by global actors like the World Bank) (Glasson et al. 2005).
significant impact, moderate impact, significant adverse impact). In both contexts, proposed projects that are considered to have no or only minor impacts are generally not required to conduct an ESIA study or public consultation (many artisanal projects). Rather ‘public consultation’ consists of either publicly posting the permit application at the District Assembly (Ghana) or obtaining consent through negotiations with traditional authorities and land owners, and paying surface rents (Sierra Leone). In Ghana, however, low-impact projects may still be required to undertake a Preliminary Environmental Report (PER) depending on the project scope. For instance, the EPA-Ghana required the Akwamu artisanal mining project in Ellembelle District noted above to produce a Preliminary Assessment Report, which served to add substantial expense and time to the permitting process. In Sierra Leone, questions about environmental permitting for artisanal actors remain a topic of contention. As of now, artisanal projects require only an Environmental Management Plan to be submitted to the National Minerals Agency; however, the EPA-SL is attempting to expand these requirements through the Environment Protection (Mines and Minerals) Regulations, 2013.

Those projects that are assessed as having moderate or significant impacts, however, are required to undertake a scoping report that lays out the scope and scale of the proposed activities. The EPA Ghana notes that the scoping exercise should involve

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In Sierra Leone, a scoping report is not necessary for projects assigned a status of “moderate or low impact.”
“widespread consultation with interested and/or affected parties, in order to identify all key issues of focus and to develop the terms of reference for the EIA study” (Ghana ND). Based on the scoping report, the EPA may direct the applicant to commission an independent consultant or company to undertake an ESIA study and produce an Environmental Impact Statement (EIS). In Sierra Leone, projects with significant adverse impacts must also include a separate Mine Closure Plan, an Environmental Management Plan, a Social Management Plan, a Community Development Agreement, and a Resettlement Management Plan (if applicable) in the license application (these are considered part of the overall EIS in Ghana). To facilitate this process, the EPA in Ghana provides applicants with a list of 57 environmental consultants that can undertake EIA studies in line with agency standards. While there was no similar list for Sierra Leone, EPA-SL officials usually recommend specific consultancy groups to applicants. Once completed, the Environmental Impact Statement must be made available for public review in several different places to facilitate access. If, in its review of the EIS (and other documents), the EPA considers the social and/or environmental impacts to be large enough, the applicant will then be required to hold a public consultation to engage impacted groups. Only after this entire process is complete will the EPA review all documentation and public comments in order to make an Environmental Permitting Decision.
The EPA in both Ghana and Sierra Leone argue that the environmental assessment process has been instrumental in mitigating social conflict and improving environmental outcomes. For example, a Ghanaian EPA official argued:

...[the EIA process] has helped to prevent and manage social conflicts. Through the application of the EIA process, communities have been involved in developments which affect them [and] it has enabled investors/developers to take up [the] concerns of communities in which they operate. Companies now have corporate social responsibility programs for communities in which they operate. This was absent in the past when EIAs [were] not required. This process is the only way communities’ voices are heard” (#16 October 2014, emphasis added).

Similarly, an official with the EPA-SL observed that “environmental policy and governance has decreased conflict – [before EIAs], someone could just go and mine in somebody’s place without following rules. Now we ask them, how are you going to engage the public? How are you going to protect the environment? How are we going to co-exist?” (#3 January 2016). Another EPA-SL official emphasized that through the public forum the EPA-SL can ensure “proper consultation” that is not “just with chiefs” and that “no license would be issued until issues raised by communities are addressed” (#8 January 2016). While it is true that the ESIA in Ghana and Sierra Leone have helped the regulatory state prioritize community development and the environment vis-à-vis mineral extraction, these governance tools have been lackluster in addressing recurring conflict and deep-seated grievances. The Commission on Human Rights and Administrative Justice (CHRAJ), for example, found in its 2008 report that “there is
evidence of widespread violation of human rights of individual members of communities and communities’ collective rights in some mining areas in the country” and that “the Commission found evidence to conclude that there has been widespread pollution of communities’ water sources, [and] deprivation and loss of livelihoods” (CHRAJ 2008: 18). Additionally, the report found that conflict between companies and informal miners had increased, and that mining companies sometimes use excessive force in their bid to uproot ‘illegal’ mining activities (CHRAJ 2008). This suggests that environmental assessment processes have been insufficient to resolve community-company conflicts or address disputes over land tenure and issues of access. Many of these conflicts will be discussed more explicitly in the next two chapters; however, the remainder of this section lays out four reasons why EIAs have been unable to produce more equitable outcomes despite their emphasis on transparency and participatory governance.

First, the ESIA process, as noted above, has created another structural barrier to mineral access for domestic ASM actors, while facilitating access for those actors with the social and material resources to navigate the bureaucratic process. Although non-mechanized artisanal projects are supposed to be “fast-tracked” through the environmental assessment process, applicants may be asked to produce Preliminary Environmental Reports and environmental management plans even after their project has been assigned to a “low impact” category. These requirements, while relatively
straightforward, place an additional burden on actors that often do not have the education or means to comply. In Sierra Leone, specifically, it is also unclear as to whether applicants will be expected to comply with two distinct sets of requirements (i.e., EPA versus Minerals Agency) if the EPA-SL is successful in its bid to require that artisanal actors obtain an environmental permit to operate. EPA officials, especially in Sierra Leone, regard rigorous artisanal regulation as a necessary evil to prevent environmental degradation in rural areas. However, the rigid insistence by regulators that low-impact projects comply with a potentially costly and difficult process in order to operate “legally” makes the state seem inflexible and insensitive to local constraints. This lack of flexibility or understanding on the part of state actors has further eroded trust between communities and the state, and has generally undermined state efforts to securitize the natural resource sector. Additionally, there is little substantial evidence as to whether formal regulations actually mitigate environmental degradation since artisanal activities are so difficult to monitor in the field anyway. The rational choice for artisanal actors, then, is to remain informal, meaning that environmental degradation will occur regardless of permitting status and the state will continue to be unable to generate revenue from the artisanal sector.

Second, ESIA processes are premised on a neoliberal model of cost-benefit analysis that employs universal tools of economic rationality to determine impacts and assess project viability (Goldman 2001). The environmental assessment procedure
effectively frames (and bounds) what information is collected and disseminated, how regulatory actors can use that information to make decisions, and the ways in which citizens can contribute to those decision making processes. In particular, ESIA is prepared according to specific criteria that tend to privilege western-based scientific evidence, as well as liberal theories of development, in assessing both impacts and benefits. Hironaka (2002: 70-71) emphasizes that “EIAs are based upon scientific styles of data-gathering and hypothesis creation, scientific understandings of environmental problems, and borrow from scientific claims of objectivity and universality.” This requires that individuals who want or need to engage with the ESIA process be well versed in specific forms of knowledge production, as well as how to employ such knowledge to make an impact on proposed projects. ESIA can thus paradoxically serve as a barrier to participation within the mineral licensing process, especially where consultative spaces come to serve as platforms for information dispersal rather than real dialogue. In discussing the impact of ESIA in Laos, Goldman (2001: 514) argues:

In Laos, as elsewhere, impact assessments are conducted that help clarify who and what is at stake, socially and environmentally, in big infrastructural projects, and the role of large capital investments in society as a whole. They effectively frame the debates so that critics must engage not only these reports and their knowledge, but these particular scientific practices, and their institutionalization in national agencies, laws, and norms, if they are to enter the political debate on the future of these projects of Laos and, more generally, the "global commons."
The ultimate irony of the environmental assessment process is that, while project applicants are required to produce substantial amounts of information that fill up several large binders (and occupy several shelves within the EPA libraries), this information, and the procedure through which it is shared, is actually of little use to those individuals and communities that are directly impacted by project activities. In interviews, a variety of different stakeholders mentioned that their ability to participate in the ESIA process had been impeded by not having adequate time to review project documents, not being able to understand the information within project documents, not knowing how to use that information to make an impact on the process itself, and not having adequate support from government partners. In addition, the extent to which either the information generated in an environmental assessment process or the public comments obtained in response to that information can impact proposed projects remains unclear. An ex-EPA-SL employee noted that within the U.S. model, “citizens could actually stop a proposed project through consultations whereas that would not happen [in Sierra Leone]” (#15 January 2016). Rather,

The EIA has become so widely accepted (by the World Bank and others) and pushed [i.e., advocated for] that there is little resistance to it anymore. It has pros and cons, but if you don’t actually engage with the tool and use it well, then it becomes little more than a rote process. [Approval of a project] boils down to whether [an applicant] had gone through the process and checked the appropriate boxes, and whether [the applicant] had the signed list of people consulted [during the process] (#15 January 2016).
An EPA-SL official confirmed that the EPA-SL “uses [the] screening [process] to reject applications, [the EPA] would never encourage a project if it were going to be rejected” (#3 January 2016). An EPA-Ghana official similarly noted that “there is no example of rejecting a project because of the public hearing. The projects are so well worked up before the public hearing that there is no problem by the time the hearing rolls around” (#78 January 2015). This public official had no response when asked why certain mining communities within Prestea-Huni Valley District publicly demonstrated against Golden Star Resources after the ESIA public forum had been held and the mining project approved. The Environmental Officer at Gold Fields agreed that “rejection is very clear if it is going to happen but does not often happen…the biggest risks are delays in the [ESIA] process” (#58 November 2014). Finally, a chief within a resettled mining community near the Golden Star concession, when asked if they could have ‘refused’ to resettle, noted, “refusing to move was not an option – it would have created a lot of conflict. We did not have the option to not move – it was not even considered” (#50 November 2014).

Many stakeholders thus view the environmental assessment as a rubber-stamp process that employs the idea of public consent to legitimate extractive activities. In reality, these spaces, defined by government agencies or international organizations, are not terribly useful for real consultation and dialogue. A civil society representative in Ghana noted that consultation processes are “not consultation but rather we [the State]
are informing you [of what will happen]” (#74 January 2015). Similarly, another civil society actor attending a meeting on small-scale and artisanal mining hosted by the Third World Network argued, “most engagements are not really engagements – all contributions are taken as ‘input,’ even if it is for small things or [we] do not have a lot of time to prepare the issues. For example, [I] attended a Forestry Commission meeting where we were given a 50-page document to study in 2 hours [to provide comments]” (November 2014). At an NREG Workshop on civil society participation in Ghana, another representative contended that “the mining sector does not have as much engagement with civil society, [rather] civil society must be invited to engage with the government in certain fora [and] usually the agenda is already set. Participation occurs in workshops or public hearings in the EIA process [meaning that] there are limited avenues of engagement” (October 2014). The WACAM executive director concluded that “participation is not possible – [communities] would not have access to information or be able to understand the technical aspects” (#121 April 2015).

Third and relatedly, the ESIA process, modeled on generic templates that prioritize democratic deliberation and decision-making in public spaces, has struggled to address underlying local political dynamics and power relations that mediate the form participation can take in consultative spaces – especially who can access these spaces, who can facilitate activities within them, and how different individuals can contribute (Cornwall 2002b). Specifically, the ESIA process is premised on the idea that
creating consultative space and inviting citizens to participate in those spaces simultaneously empowers them to do so (Cornwall 2002b; Lefebvre 1991). Yet, Cornwall (2002b: 5) argues “issues of power and difference may not only undermine the very possibility of equitable, consensual decision-making, they may also restrict the possibility of ‘thinking outside the box’, reinforcing hegemonic perspectives and status quo reinforcing solutions.” In other words, the spaces created through the ESIA process are not neutral: they are permeated by existing discourses of power that act to shape permissible conduct and bound the possibility of participation (Foucault 1990; Foucault 1995). To underscore this point, Cornwall (2002b: 8) argues that such discourses shape:

…not only what is said and done, but what is sayable and do-able in any given social space, constituting what counts as knowledge and whose knowledge counts...Power relations pervade any spaces for participation. Spaces made available by the powerful may be discursively bounded to permit only limited citizen influence, colonizing interaction and stifling dissent.

In Ghana and Sierra Leone, the vertical nature of power relations that characterize social interaction means that consultative spaces are often controlled by “gatekeepers, who speak for but not with those they represent” (Cornwall 2002b: 8). In particular, urban (e.g., civil society or agents of the state) and rural elites (e.g., chiefs, local government, or other big men) tend to claim representational rights on behalf of communities, which reproduces existing power relations that serve to constrain non-elite access and voice. Within this framework, information – rather than a tool of empowerment – becomes a critical commodity that allows elites to shape discourses,
maintain positions of power, influence development processes, access material benefits, and direct subordinates. This suggests that “even in situation where citizens are invited to participate in intentionally designed institutional spaces, the inclusion of local actors in decision-making cannot be assumed” (Maconachie 2010: 192). Effectively, the environmental assessment, premised on neutral cost-benefit analyses, tends not to see or address these social undercurrents, which ultimately perpetuates local dependence on elite authorities for access to information and benefits. In a focus group discussion with a community in central Sierra Leone, for example, community members argued that information must travel through a prescribed hierarchical social chain. One individual, in particular, remarked: “we are not actually able to go to the government to ask about [natural resource] revenue issues…we don’t have that kind of access to information, [rather] the Paramount Chief would have the right to ask the government and then we could potentially get that information from the Paramount Chief (#33 January 2016, emphasis mine). Yet, Fanthorpe and Gabelle (2013: 31) argue that this system can also create “conflict over the right of a particular individual to represent a particular community.” While chiefs remain an important governing authority at the subnational level, a point which will be discussed extensively in the next chapter, their legitimacy as community leaders can often vary greatly within different contexts (Hirons 2014).

Regulatory agents, as well as mining companies, have further complicated this politics of representation by viewing chiefs as natural leaders within the community and
privileging their participation in public spaces. For example, chiefs in a public forum are always seated at the front of the room in a group, given the opportunity to speak first (and longest), and are perceived to play a crucial role in relaying information back to their communities. While these privileges are considered necessary to honor the chiefly position, which remains a powerful institution in both Ghana and Sierra Leone, they serve to “animate spatial practices” in ways that constrain the possibility of wider stakeholder engagement (Cornwall 2002a: iii). Female stakeholders in an EPA public consultation in Ghana, for instance, were relegated to the back of the room, and despite the large number of women present, not one stood to ask a question or make a comment on the proposed project (November 2014). An ex-EPA-SL officer similarly argued that “chiefs can shut people down easily…for example, I saw a chief shut down a teacher in a public disclosure. And, companies often just go to chiefs first anyway” (#15 January 2016).

Finally, the low visibility of regulatory agents within the environment assessment process perpetuates the perception within communities that they lack a neutral champion or arbiter that can help facilitate negotiations with mining companies. Regulators argue that their role in ESIA is primarily supervisory – they are responsible for ensuring that companies adequately consult communities and address the potentially negative impacts of their activities. On the ground, this means that much of the environmental assessment process is devolved directly to mining companies. An
Adamus official noted that “depending on the area, the mining company has to approach communities to explain impacts [and] how to mitigate impacts. Public participation is there – but is primarily dependent on the mining company as the EPA remains at a distance” (#95 February 2015). A Gold Fields Community Affairs Manager agreed, noting “the EPA consultation is just one day where technical issues are discussed. [This means] we really have to engage [and] mostly the burden is on the company” (#107 February 20). Newmont officials in Ghana similarly contend:

...[consultations are] Newmont led with a silent EPA presence. [For example] in a recent Newmont public hearing for the expansion of a mill, Newmont provided all the logistics including buses, tents, food, etc. The EPA moderated and left – the EPA did not come back to give feedback after the hearing. Newmont held briefings before the public hearing to make sure all the issues were understood. It would seem as if Newmont is doing the public hearing...community members can’t identify EPA people in a crowd but they know Kojo from Ne\wmont (#113 March 2015).

The perception that regulators are primarily there to facilitate a technical, rather than political, process has served to disconnect the state from local political dynamics and limit their capacity to resolve conflict. It has also put mining companies in a position where they are both the cause of conflict and the entity primarily responsible for resolving that conflict. This can often strain community-company relationships and make it difficult to build trust in consultative processes. One Adamus official noted:

Right now, most of the social conflict that happens has to be dealt with by the company. Of any of the agencies, the EPA and Minerals Commission should have the mandate to get involved, but they generally don’t. The Government is strong on private
company monitoring but not strong on the community side or the small-scale (i.e., informal mining) side. They are not strong because they do not have a mandate to take care of social issues. The Government should assist in taking care of social conflict – they have put the company in a hard place to negotiate social conflicts because [communities] think Adamus is not telling the truth because of a conflict of interest” (#96 February 2015).

This relationship has been further complicated by the fact that many mining companies have come to serve as basic service providers or “quasi-states” for surrounding communities (#107 Gold Fields February 2015). Fanthorpe and Gabelle (2013: 55) argue that the inability of the state to provide services combined with a strong sense of community ownership over land and its resources “leads to an equally strong sense of entitlement to benefits from outside agencies using ‘community’ land for their own profit.” As a result, communities are put in a position of dependence on those companies with which they are also in conflict. This has served to increase animosity between companies and communities as companies perceive they are playing the role of the state while communities feel that company must earn a social license to operate. The Social Responsibility Manager for Adamus official argued that “The one who has the authority to give out concessions [the state] should make sure it is free from conflict and dispute. Social issues are passed on to the company – the EPA and Minerals Commission do a public hearing and that is about it. There is a fine line between keeping a business plan on track and mediating community conflict” (#96 February 2015). The Community Affairs Manager for Gold Fields similarly argued that “[large-
scale] concessions create conflict from competing interests [and] surface mining takes a lot of land. [Gold Fields] is competing with farmers and artisanal miners – these are gray areas…it creates problems that the company has to solve” (#107 February 2015).

Within this framework, the assessment process has struggled to help local and external actors navigate complex political relationships. As a result, conflict has proliferated amidst the implementation of a governance tool that is theoretically supposed to serve as “key entry points for ensuring that negative impacts can be predicted and that appropriate social and environmental safeguards are put in place” (Brown et al. 2013: 337). In particular, mining companies have struggled to address the informal artisanal activity taking place on their concessions, and communities with mining interests have struggled to obtain real consideration in consultative spaces. This has further distanced, rather than connected, communities from the state, and perpetuated conflict in the minerals sector.

In Summary: The diffusion global policies and models has helped create a cadre of regulatory and civil society agents that work to establish and reinforce global standards within domestic contexts. However, structural and social constraints have limited the extent to which these agents can expand global structures. Specifically, Ghana and Sierra Leone’s regulatory context has been designed in ways that perpetuate large-scale biases, and exclude small-scale and artisanal actors. Additionally, the exclusive and apolitical
nature of reforms has served to limit the extent to which marginalized actors can access and participate in regulatory processes. This has served to increase competition and cement grievances that further propel natural resource conflict.
6. Unearthing Conflict in Rural Ghana: Mining, the State, and Institutional Change

While the international community continues to champion Ghana for its willingness to adopt and implement ambitious environmental governance reforms, Chapter 5 demonstrates that many domestic actors perceive regulatory standards to be highly exclusive and unable to address domestic constraints that inhibit broader resource access and participation (see also Fisher 2007). Scholars link many of the economic and political reforms implemented since 1983 to the precipitous expansion of the informal mining economy in Ghana (Hilson 2013; Hilson & Maconachie 2009). The literature over the past fifteen years, in particular, has forcefully argued that illegal mining activities in Ghana have been primarily driven by poverty and the need to generate rural employment opportunities rather than a deliberate lack of compliance on the part of rural actors (Hilson & Pardie 2006; Hilson 2004; Van Bockstael 2014). Hilson and Gatsinzi (2014: 1), for example, argue that the “growth of ASM is linked heavily to poverty and/or a lack of economic opportunities.” Researchers working on the issue of ASM in Ghana estimate that illegal activity, referred to within the Ghanaian context as “galamsey”, expanded from an estimated 30,000 informal miners in 1995 to over one
million informal miners in 2006 (Banchirigah 2008; WB 1995). The Government of Ghana continues to use the benchmark of one million illegal miners to characterize the extent of the informal economy (GoG 2016), although recent literature has called for this estimate to be updated by more robust empirical research (Hilson & McQuilken 2014).

The wealth of scholarly research on ASM in Ghana has encouraged government officials and development practitioners to reconsider the importance of small-scale mining to the Ghanaian economy. Yet despite increasing awareness by state actors that the informal mineral economy acts as a critical driver of local livelihoods (see for example the recent Mineral and Mining Policy, 2016), the Government of Ghana formally maintains that “galamsey” constitutes a “national security threat” that contributes to social conflict and environmental degradation (#30 EPA, October 2014 and #43 Minerals Commission, November 2014). The Minerals Commission affirmed in its 2016 Minerals and Mining Policy that although the government would engage in “initiatives to enhance the development of an efficient, modern and sustainable small-scale mining sector… nothing in this policy document should be construed to equate small-scale mining with illegal mining. While encouraging small-scale mining in approved areas, Government will protect bona fide mineral rights holders from interference in their operations by unlicensed persons” (GoG 2016: 41-43). The growing

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1 I use the acronym ASM to refer to “artisanal and small-scale mining.” In Ghana, the Minerals and Mining Act of 2006 reserves small-scale mining for Ghanaians (GoG 2006). Any person partaking in artisanal or small-scale mining without a permit from the state is considered to be engaged in illegal activity.
perception that illegal miners pose a security threat prompted state regulators to
essentially abandon their efforts to enforce regulatory compliance, especially through
formalization (see Chapter 5). The Deputy Executive Director of the EPA, for example,
argued that illegal mining has “become a security issue because people are armed…it
[has] become impossible for an EPA officer to go in [to an area] to regulate” (#30 EPA
October 2014). As a result, the political state (specifically the executive branch) has
assumed the primary responsibility for enforcing compliance with existing mineral
legislation. The executive, particularly under President Mahama, has authorized the use
of military-style “sweeps” that employ specialized anti-galamsey taskforces supervised
by the National Security Sub-Committee on Lands and Natural Resources to forcibly
remove illegal miners from formal concessions or forest reserves (#125 Ghana Chamber

While some have roundly criticized the Government of Ghana’s position
regarding illegal miners as a national security threat (Hilson & Yakovleva 2007), the
scholarly literature and the international policy community largely support assertions
that centralized control and enforcement of the minerals sector specifically (and the
extractives sector more broadly) via state regulation remains a critical prerequisite for
reducing conflict risk and mitigating environmental degradation (Beevers 2011;
Maconachie & Hilson 2011; Sepulveda & Syrett 2007; WB 2014) (but see Denny 2013 for a
possible counterargument). Beevers (2011: 17) argues, in particular, that the natural
resource sector has become increasingly “securitized” and “marketized” in that international and domestic actors have attempted to “promote and establish governance reforms and policies aimed at...establishing and consolidating state control and authority over the environment and natural resources...[and] promoting and establishing the conditions that allow the environment and natural resources to generate revenue including foreign investment, privatization, deregulation, and private property rights” (Beevers 2011: 17). A state-centered approach to natural resource management has been theorized as necessary to transform high-value conflict resources into “peace resources,” defined as natural resources that “can be exploited quickly for economic growth, poverty alleviation and the provision of state revenues that in theory can enhance security and development” (Beevers 2011: 17).

Yet multinational corporations, civil society, academics, and practitioners have largely characterized recent efforts to enhance enforcement measures by the Ghanaian State as inadequate. In particular, these actors question the sincerity of the political state’s commitment to eliminating the illegal mining problem (Multiple Interviews). Banchirigah (2008: 31) notes, “there is the argument that there is little incentive for the government to correct [the informal mineral economy] – that is, to strengthen policies in order to facilitate increased formalization – because it benefits financially from illegal artisanal mining activity.” In order to examine this proposition in greater detail, this chapter explores why the political state has largely pursued a strategy of selective
enforcement with respect to enforcing its mining laws – that is, the state appears to be choosing whether and/or how to punish illegal mining operations on the ground rather than strictly enforcing. Interviews conducted with galamsey across multiple communities reveal that the frequency and intensity of military-style raids is indeed highly variable, and the consequences of raids are often negotiable on the ground (Multiple Interviews). In other words, while some communities frequently encounter national security forces that destroy mining machinery, make arrests, or forcibly remove miners – sometimes causing bodily injury or even death (CHRAJ 2008), others remain relatively insulated from these activities and their consequences. As a result, multinational mining companies have loudly complained the state’s commitment to eliminating illegal mining is “superficial” (#95 Adamus February 2015).

Conventional arguments tend to explain the Ghanaian state’s failure to address illegal mining as an issue of low political will or a lack of capacity and resources [see (Hironaka 2014)]. Other scholars maintain that the state continues to mischaracterize the socioeconomic context in which galamsey activities emerge, and thus misjudge the feasibility of applying “technical solutions” on the ground (Hentschel et al. 2002; Hilson & Gatsinzi 2014; Hilson & McQuilken 2014). This chapter argues, in line with Chapter 3, that the “failure” of the political state to address illegal mining in Ghana is better understood as a strategic response to the political terrain that has emerged out of the context of natural resource governance reform. Drawing on five months of field research
in the Western and Brong-Ahafo Regions of Ghana, this chapter demonstrates that in the face of an exclusionary regulatory state non-elite actors at the subnational level have continued to utilize governance suppliers acting outside the formal state domain – traditional authorities, foreign (especially Chinese) and domestic business elites, and political elites operating within patronage networks – to retain and (at least partially) legitimate access to mineral resources. These informal governance networks compete with each other, with the state, and with formal actors licensed by the state at the subnational level for social control and access to natural resource benefits.²

The political state, grappling with a fragmented institutional terrain in which competing governance networks negotiate the terms of mineral extraction for non-elite actors, must ultimately decide whether and how to consolidate its authority for minerals governance on the ground (Boone 2003; Migdal 1988b). Migdal (1988b: 264) theorizes that such calculations can lead to a politics of accommodation between the state and societal leaders, especially where local leaders retain substantial governance authority and competition for social control is high. Taking this premise as a starting point in Ghana, this chapter seeks to empirically advance state-society theory by examining how the presence of external actors – especially multinational corporations (MNCs) and global policy actors – shifts the political calculus between state and society. In the state-

² Social control is defined as the ability of the state to make the operative rules of the game for people in society (Migdal 1988b).
society framework, theorists link political decision-making at the center to the authority wielded by societal elites at the peripheries (Boone 2003; Migdal 1988b). A weak state would be expected to make accommodations to appease powerful subnational strongmen, ultimately inhibiting its ability to consolidate social control. Within the framework proposed in this chapter, however, the presence of MNCs and global policy actors modifies incentive structures between state and society, meaning that the weak state, to protect its interests, is likely to make greater efforts to consolidate its authority in areas of strategic importance, even in the presence of competing local governance networks. Drawing on survey, interview, and ethnographic data, this chapter argues that the Ghanaian state does in fact attempt to forcefully consolidate its governance authority in strategically important areas – especially around formal mineral concessions and within forest reserves. Outside these areas, however, the state appears more willing to accommodate the authority of competing governance networks on the ground.

The political terrain in Ghana can thus be explained using two variables: 1) the level of competition between governance networks battling for control of extractive resources and 2) state effort to consolidate its authority over areas of strategic importance. Using this framework, this chapter draws on the typology introduced in

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3 An area of strategic importance is defined here as an area in which the state obtains substantial benefits, especially in the form of revenue. Three types of areas are defined here as strategically important: formal concessions on which licensed large-scale multinational corporations operate, areas rich in natural resources on which the state directly depends for revenue (i.e., forest reserves), and areas rich in natural resources that are important within a larger global context (i.e., protected areas).
Chapter 3 to examine how the interaction of these two variables shapes conflict outcomes across 12 resource-rich communities in the Western and Brong-Ahafo Regions. Employing survey and interview data, this chapter demonstrates that conflict risk tends to be higher in contexts where the state exerts more effort to consolidate its authority and multiple governance suppliers, competing for control of social and extractive resources, interact on the ground. In Ghana, this means that conflict risk tends to be greater in areas where formal mineral concessions have been designated or in areas where the informal extraction of minerals competes with other high-value resources, especially forests. The typological framework ultimately explains why the state’s use of selective enforcement to address illegal mining may be strategically rational: it allows the political state to balance its need to protect the interests of strategic resources that provide critical revenue streams with the need to accommodate competing informal governance networks that, if challenged, could sow instability and an international community that conditions financial and technical transfers on the premise of good governance [see (Hilson & Yakovleva 2007)].

In order to illustrate this argument in the Ghanaian context, the first section of this chapter presents summary statistics from 310 household surveys administered across 12 communities in the Western and Brong-Ahafo Regions between January-April, 2015. These surveys were employed primarily to understand how local communities assign governance authority for natural resources at the subnational level. The second
section then presents the results of two logistic regressions based on the survey data: the first examines characteristics that influence whether a household assigns authority for minerals governance to the state while the second examines household perceptions of conflict risk. Overall, the survey data and logistic regressions demonstrate the extent to which authority for minerals governance is fragmented on the ground, and how this fragmentation increases perceptions of conflict risk. Section three then examines a subset of the communities surveyed within the context of the theoretical typology introduced in Chapter 3. The case studies, each of which represent one quadrant of the typology, draw on qualitative evidence – particularly interviews and ethnography – to trace causal mechanisms between local governance contexts and conflict risk. The final section of this chapter presents conclusions about conflict risk and environmental governance in Ghana.

6.1 Understanding Governance in Rural Ghana

A number of scholars argue that global models, as they are introduced at the domestic level, often fail to produce expected outcomes or change actual governance practices (Ferguson 1994; Johnson 2016; Meyer et al. 1997a; Rodrik 2008; Scott 1998). Meyer et al. (1997a: 151-152) note that such models are often “marked by considerable, and sometimes extraordinary, decoupling between purposes and structure, intentions and results.” This suggests a need to more carefully examine whether and how formal reforms, like those introduced to Ghana’s natural resource sector over the last 30 years,
have actually transformed governance attitudes and practices on the ground. In order to understand how natural resource governance reforms in Ghana have been perceived by communities at the subnational level, this section explores the results of questionnaires implemented in 12 communities across 10 districts in the Western and Brong-Ahafo Regions of Ghana. The questionnaires were designed to elicit opinions on who retains governance authority for natural resources – especially minerals and timber – within communities, and how well those actors enforce the rules. The intent behind using household questionnaires was to trace potential divergences in perception between the state and local communities about how natural resources are governed in reality within local contexts, and how these governance realities impact the potential for conflict.

6.1.1 Governance and Authority in Ghana

Although the academic literature has helped shift perceptions about the drivers behind illegal mining across much of Sub-Saharan Africa in recent years, government officials continue to perceive that the surge in illegal mining activity reflects a deliberate unwillingness on the part of non-elite actors to follow the rule of law (Banchirigah 2008; Bush 2009; Hilson 2009; Van Bockstael 2014)(also Personal Observation, TWN Meeting, November 2014). In response, regulatory actors in Ghana have essentially doubled-down on formalization as a critical mechanism by which to address illegal mining (GoG 2016). The logic behind this position is that if the state can make formalization attractive to illegal miners – through the offer of extension services or by making land available for
formal small-scale mining activities – then miners will make the rational choice to abandon their illegal activities and formalize (Chapter 5). A Ghanaian government official remarked at a small-scale mining meeting, for example, that illegal miners needed to “migrate from where they are [in terms of disobeying mining laws]” given that the government has made clear that “galamsey is illegal” and that the state has worked tirelessly to make formalization an important route to “accessing government support” (TWN Meeting, November 2014). Such rhetoric suggests that the GoG has drawn a firm line: mining is either authorized by the state or it is illegal.

To reinforce formalization policies, the political state has attempted to increase the costs associated with illegal mining by employing a “stick” in the form of enforcement measures. Using military-style taskforces to physically compel miners off unlicensed lands and out of forest reserves, “soldiers” (as they are called by miners working illegal concessions) sweep through illegal mining camps in order to destroy or confiscate property, levy fines, and make arrests. At times, these activities result in injury or death (Interviews). Such raids are perpetrated primarily by three types of enforcement unit: the National Anti-Galamsey Task Force, Rapid Response Units, or armed military patrols acting under the auspices of an MOU signed between mining companies and the state that aims to protect formal large-scale concessions. Illegal

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4 Again, the regulatory state has essentially abandoned enforcement because galamsey is considered a national security threat. I would also argue, however, that the regulatory state has no real incentive to enforce its regulations in the informal sector because it generates little revenue.
miners tend to refer to all of these actors uniformly as “soldiers” and at times, it remains unclear exactly what type of “soldier” is attempting to enforce state authority on the ground. This sub-section provides a brief overview of each of these enforcement units to provide a better understanding of the enforcement terrain in Ghana.

**Anti-Galamsey Taskforce:** In May 2013, President Mahama inaugurated an “Inter-Ministerial Taskforce on Illegal Mining,” otherwise knowns as the National Anti-Galamsey Taskforce. The taskforce, chaired by the Minister for Lands and Natural Resources and supervised by the National Security Sub-Committee on Lands and Natural Resources, is a joint team of security operatives responsible for eliminating illegal mining across Ghana (Ghana Chamber of Mines, May 2015). President Mahama charged the taskforce to “ensure that our laws in the Small Scale mining sub sector are fully enforced” and to “seize all equipment used by those who fail to comply with the new directives of obtaining licenses or renewing their licenses; arrest and prosecute anybody, both Ghanaians and non-Ghanaians, involved in small-scale illegal mining; deport all non-Ghanaians involved in small-scale mining; revoke the licenses of Ghanaians who have sub-leased their concessions to non-Ghanaians against the rules; revoke the licenses of Ghanaians who have engaged the services of non-Ghanaian

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5 The Inter-Ministerial Taskforce also includes the Ministers for the Interior, Defense, Foreign Affairs and Regional Integration as well as Environment, Science, Technology and Innovation.
miners in the small-scale mining sector in ways that are contrary to the rules; and hold MMDCEs [Municipal And District Chief Executives] and their respective DISECs [District Security Committees] accountable for any illegal mining activity in their areas of jurisdiction” (Mahama 2013). The President further noted, “In constituting this Inter-Ministerial Taskforce on illegal small-scale mining, I am sending a clear signal to the offending individuals and groupings that government will not allow their activities to cause conflict, dislocation, environmental degradation, and unemployment, when in fact; the sector should benefit our communities and help develop Ghana” (Mahama 2013). A number of actors widely speculated that the formation of the inter-ministerial taskforce was a direct result of the increasing prevalence of Chinese financiers and miners in the small-scale sector, who served to import machinery and finance illegal mining projects (#61 SSMA November 2016). While the taskforce did lead to the deportation in July 2013 of thousands of Chinese nationals accused of participating in illegal gold mining, such deportation activity dropped precipitously after China undertook retaliatory actions that further damaged relations between the two countries (Hilson et al. 2014; Hirsch 2013). In addition to the national anti-galamsey taskforce, the Ministry of Lands and Natural Resources reconstituted membership of five regional taskforces to “complement efforts” by National Security to address illegal mining (MoLNR 2016). Regional taskforces are based in the Eastern, Greater Accra, Ashanti, Western, and Central Regions.
**Rapid Response Units:** The Ministry of Lands and Natural Resources established Rapid Response Units (RRUs) in YEAR to “augment operations of the Military and Police Task Forces” and “deal with the menace of illegal logging, mining, farming and chainsawing in our forest reserves and wildlife protected areas in the country” (MoLNR 2016). There are currently 14 Rapid Response teams operating across forest reserves in Ghana. The teams, which consist of armed forest guards, mobilize in response to calls about illegal activities in forest or wildlife reserves (#26 Forestry Commission, October 2014).

**Private-Public Patrols:** Illegal miners also contend with military-style patrols that serve to protect the interests of multinational companies around large-scale concessions. Such sweeps are part of an ongoing partnership between international mining companies and the state, which signed an MOU in 2009 (?) to protect large-scale concessions from illegal mining activities (Ghana Chamber of Mines, May 2015)(see also Banchirigah 2008). Under the MoU, mining companies partner with the Ghanaian military to deploy teams that complement the Ghanaian Police Service, and which act in tandem to “protect the assets of the beneficiary mining companies” (Ghana Chamber of Mines, May 2015). Mining companies make payments to the Ghanaian Army through the Ghana Chamber of Mines, and support the living costs of military personnel protecting the concession.
Banchirigah (2008: 33) observes that although “company officials typically deny it, these sweeps are often associated with human rights abuses.”

Such a double-pronged strategy – formalization through the regulatory state and enforcement via the political state – has served as the primary mechanism by which Ghana has attempted to address its illegal mining problem. Despite the proliferation of enforcement activity against illegal mining, the political state has made little progress in deterring individuals from engaging with the informal sector (for discussion of the regulatory state, see Chapter 5). This fact becomes immediately apparent when conducting field research in Ghana, as the scale of the informal economy has increased spectacularly while the political state has enforced its authority on the ground only tepidly. Indeed, what becomes most apparent on the ground is the extent to which the political state selectively enforces its authority vis-à-vis illegal mining activities. For example, some illegal mining operations encounter enforcement units multiple times over a period of time while other illegal operations, only a short distance away and engaging in similar activity, rarely or never encounters these units (Personal Observation). Critics have explained this variation in enforcement in multiple ways.

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6 Banchirigah (2008) argues that alternative livelihood programs have also been used by the state to encourage individuals to abandon illegal mining activities. While I did encounter alternative livelihood projects in my field communities, these were more often associated with programs being implemented by development agencies or NGOs rather than the state. In general, scholars have criticized this approach because it often fails to consider the host of problems associated both with formalization (Campbell 2004; Campbell 2009; Maconachie & Hilson 2011; Sepulveda & Syrett 2007) and military-style enforcement.
Banchirigah (2008) posits, for example, that enforcement is patchy because the state benefits financially from the activity of a robust informal economy, while the World Bank (2014) recently argued that Ghana does not have the financial or technical resources to effectively implement regulatory policies or sustain long-term enforcement. Others observe that the state continues to misjudge both the causes of and solutions to the drivers of the informal mineral economy (Hilson 2009).

While all of these pathways likely contribute to the problem of illegal mining in Ghana, this chapter posits a fourth, and potentially more important, mechanism to explain the political state’s use of selective enforcement: at the subnational level the state does not possess complete authority to govern mineral resources. Rather, authority for minerals governance is split between a variety of different networks – each of which ultimately compete with the state for control of social and mineral resources. This suggests that despite the measures taken since the early 1980s to securitize and marketize mineral resources in Ghana (Hilson 2004)(see also Chapter 4), the state has been unable to consolidate its authority to make the operative rules of the game for people in society – particularly when it comes to natural resources (Migdal 1988b). Facing a fragmented political terrain, the state must decide whether and how to enforce it authority on the ground, especially within the context of scarce financial and technical resources, as well as overall low political will and endemic corruption. To explicate this complex governance terrain and investigate this proposition, the next section explores
results from 310 household questionnaires implemented in the Western and Brong-Ahafo Regions of Ghana from January-April 2015.

6.1.2 Household Surveys in the Western and Brong-Ahafo Regions

Numerous studies examining the informal mining sector in Ghana have employed primarily qualitative research to explore the drivers behind the informal mineral economy, as well to understand how informal activity contributes to environmental conflict. Few studies, however, have attempted to quantify either community perceptions of minerals governance or conflict risk on the ground. To address this deficiency, this research employs a mixed-methods approach to investigate the relationship between governance authority and conflict in resource-rich communities in Western Ghana. I employ household surveys to quantitatively explore subnational perspectives on natural resource management and qualitative interviews and ethnography to trace causal pathways between survey results and conflict outcomes. The surveys, specifically, were employed to gain a more systematic understanding of perceptions of resource governance across a subset of local communities situated within the resource-rich and conflict-laden Western and Brong-Ahafo Regions (Armah et al. 2014). Such an approach constitutes an important contribution to the literature on natural resource governance in Sub-Saharan Africa given the continued emphasis, in both the academic and practitioner circles, on state-led
natural resource governance as a critical mechanism to alleviate conflict (Le Billon 2001). This study, rather, begins with the premise that the authority of the central state to manage natural resources continues to be severely limited across its “political topography” (Boone 2003), and that a development agenda which focuses narrowly on building institutional capacity within the formal state will struggle to improve environmental governance and reduce conflict risk [see also (Denney 2014)].

Research at the subnational level was situated within the Western and Brong-Ahafo Regions for three reasons. First, mining has been a nearly constant feature of the Western and Brong-Ahafo Regions since before the Colonial era (Hilson 2002a). As such, there is a substantial literature documenting the social and environmental impacts of mineral extraction on local communities as well as the effect of governance reforms on mining-related conflict (Akabzaa 2000; Armah et al. 2014; Hilson & McQuilken 2014). 

Most of the large-scale mining operations, including Newmont, Golden Star, Gold Fields, AngloGold Ashanti, and Endeavour, are currently based in the Western and Brong-Ahafo Regions, which has further focused scholarly attention within this geographical extent. Despite the availability of substantial empirical research, very few scholars have employed either existing or new data to build on prevailing theory – especially in political science – which has inhibited our understanding of how the

7 For more information specifically on minerals governance and conflict in these regions in Ghana, see, for example, Akabzaa (2000), Aryee (2003), Hilson and Yakovleva (2007), Armah et al. (2014), and/or Cuba et al. (2014).
informal mineral economy relates to the broader political terrain. As such, this chapter engages in middle-range theory building to explore why formal policies focused on alleviating the “wicked problems” associated with mineral extraction have failed to alleviate resource-related conflict and instability (Horst & Webber 1973).

Second, the Western and Brong-Ahafo Regions are extremely resource-rich, and characterized by substantial overlaps in extractive resource potential. These regions have witnessed extensive extraction of mineral, timber, and oil resources, often within areas that overlap or occur within close proximity, and, as such, government officials, scholars, and development practitioners recognize a higher probability of natural resource conflict occurring within them (Armah et al. 2014; Cuba et al. 2014). In addition to the extractive potential, rural Ghanaians, in particular, rely extensively on land, forest, and mining resources in the Western and Brong-Ahafo Regions for their livelihoods. Akabzaa (2000) estimates that approximately 70% of Ghanaians derive their livelihoods directly from the use or exploitation of such natural resources, suggesting that resource competition is a significant concern in Western and Central Ghana. Finally, although illegal mining has quickly expanded beyond Western and Central Ghana to the North and East, the Western and Brong-Ahafo region remain a focal point for the informal mineral economy. As such, examining minerals governance in this region may provide

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8 See George and Bennett (2005).
critical lessons for addressing informality in other regions of Ghana, as well as other
countries in Sub-Saharan Africa.

From January-April, 2015, a research team consisting of the PI, two research
assistants, and a driver, implemented 310 household surveys across 12 villages in 10
districts in the Western and Brong-Ahafo Regions of Ghana (Figure 3). Initially, about 24
possible study communities were randomly selected from a map based on their
proximity to specific natural resource features. Researchers prioritized communities in
which several resource features overlapped – especially forest reserves and mineral
resources – in order to generate a sample that could provide insight into how
communities perceived governance of different natural resources on the ground. The
research team made an initial visit to these villages in November 2014 in order to speak
with traditional authorities about the possibility of working in the community, and to
gauge whether it was logistically feasible for the team to reside in the community for a
period of about 5-6 days (i.e., whether the village could provide accommodations).
Ultimately, researchers obtained permission to work in 12 villages representing a subset
of resource-rich communities in the Western and Brong-Ahafo Regions (Figure 3). Three
villages, two in the Western Region and one in the Brong-Ahafo Region, were defined as
“non-mining communities” situated in proximity to forest reserves (Villages F1, F2, and
F3). Five villages, all in the Western Region, were defined primarily as “illegal mining
Two of these villages were situated near an active large-scale mining concession (G3 and G4), while four also sat adjacent to forest reserves (G1, G2, G4, and G5). Researchers defined a village as an “illegal mining community” if illegal mining operations occurred within or in direct proximity to the village, and if both the traditional authorities and village residents were aware of and at least partially participated in informal mining activities. Finally, four villages, two in the Western Region and two in the Brong-Ahafo Region, were defined as “mining adjacent” communities as they were situated in direct proximity to large-scale formal concessions (M1, M2, M3, and M4). One of the villages in the sample, M1, had been relocated by Adamus Resources (a subsidiary of Endeavour Mining) because of mining activities.

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9 These villages varied in terms of both the type and extent of illegal mining occurring. In G1, galamsey activities consisted primarily of “dredging” in which miners work in streams or rivers to obtain ore. In G2, miners engaged in surface mining in the forest reserve. In G3 and G4, miners engaged in both surface and underground mining. In G5, galamsey activities primarily focused on surface mining, with some underground mining in the adjacent forest reserve.
Figure 3: Map of western Ghana

Green areas indicate forest reserves, orange areas indicate large-scale exploration concessions, and red areas indicate large-scale active mineral concessions.

While this method of selection may generate some bias based on natural resource characteristics and limit generalizability, it served as the most appropriate selection method for four reasons. First, this study aims to understand how local communities perceive natural resource governance at the subnational level, and how these perceptions ultimately impact conflict risk. In other words, the assumption employed here is that natural resource features are a critical driver of both governance perceptions and conflict risk. As such, it was necessary to ensure villages varied in terms of the type of resources available to them, as well as the extent to which multiple resources
overlapped. Second, demographic factors such as ethnicity and religion have historically been of lesser importance in explaining instability and conflict in Ghana (Chazan 1983; Herbst 1993). In particular, Ghanaians families tend to span multiple ethnic and religious boundaries, and individuals will often migrate to areas with greater economic opportunities (i.e., especially from North to South). In the resource-rich regions of West and Central Ghana, then, the research team expected that villages were likely to include a mixture of ethnic groups that would be representative of broader demographic patterns in Ghana (Table 3). Third, analyzing governing relationships between the state, the rural elite, and the non-elite in the Akan-dominated areas of West and Central Ghana remains an important exercise in understanding broader resource governance trends in Ghana. While these relationships differ from those in the East and the North, the Western and Brong-Ahafo Regions tend to serve as a bellwether for issues elsewhere in the country. Finally, although galamsey is an activity that has historically been associated with the Akan in Western and Central Ghana, such illegal mining activities are gaining wider practice in the East and North (Banchirigah 2008; Hilson & Garforth 2013)(also personal observation). As such, many of the lessons being learned in the West and Central regions will become immediately applicable to other areas.

The research team spent a total of five nights and four days in each community. Three of the days in the village were spent conducting household surveys, and the fourth day was used to engage in participant observation or conduct more in-depth
interviews. Often, by living and working for several days in the village, the team was able to build a rapport with individuals that would then volunteer to talk to us in more detail about village politics or show us aspects of village life that might help with the research. We uncovered information by participating in and observing activities that we could not otherwise learn through the surveys. On the afternoon of the first day in the community, the village chief made an announcement, generally over a loudspeaker or by sending town criers to several locations in the village, that our team would be working in the community, and that we were not affiliated with the government. Almost all of the household surveys were conducted in Twi, although there were a few participants who did not speak Twi. In that case, the surveys were carried out in a language common to the participant and research assistant (generally Ewe). The PI took turns accompanying one of the research assistants while the other conducted surveys independently. The research assistants helped with conducting and translating interviews, but also offered invaluable insights into interpreting data and ensuring that the research team adhered to traditional cultural customs while living in the villages.

The size of each village was determined by speaking with the traditional authorities and consulting 2010 census data from the Ghana Statistical Service. The two research assistants began from a recognizable central point in the village – such as a community center or the chief’s palace – with one research assistant pursing a clockwise spiral pattern towards the perimeter of the village and the other pursing a
counterclockwise spiral pattern toward the opposite perimeter. We used this strategy to ensure that we captured both Akan and non-Akan households, as “strangers” or village non-natives tend to aggregate at the village perimeters (MacLean 2010). The research assistants skipped a specific number of houses depending on the size of the village to ensure that we included households in all areas of the community. Generally, we spoke to any adult (either male or female over 18 years of age) at home and who lived within the household for at least six months of the year. If no one was home, we attempted to return to the house to find the resident at another time. If an individual was busy but willing to participate, we made an appointment to come back to that house at a more convenient time. Where we could not find the resident or an individual refused to participate in the survey, we proceeded to the house directly next-door. Overall, only about 12 households refused to participate in the research (a 96% response rate).

The research team worked every day of the week. Each village designated a different day of the week as the official “rest day” for the village. On rest days, households did not go to farm but rather participated in community service activities. We attempted to survey households during one of the officially designated rest days or on a day during the weekend in order to reduce the risk that all adults in the household were away and working at the farm. To recruit participants, the research assistant explained the purpose of the survey and asked the individual if he/she were willing to participate. We emphasized that participants would not be given any material benefits
or future development assistance, but rather all participation was strictly voluntary. On the fourth day in the village, we visited field sites, engaged in activities with different households, or conducted in-depth interviews with village chiefs, village elders, royal family members, local political leaders, youth leaders, and illegal miners. The ethnographic and interview data ultimately supplemented and increased the validity of the survey data.

6.1.3 Survey Results: Sample Villages in Context

The household surveys consisted of 74 questions in 7 sections: demographics (section 1), natural resource use by households (section 2), governance (section 3), perceptions of resource extraction (section 4), benefits from extraction and livelihoods (section 5), politics (section 6), and conflict and conflict resolution (section 7). On average, respondents took about 95 minutes to complete the survey. We surveyed 156 men and 154 women: although we did not actively try to balance gender in our sample, the proportion of males in the sample did not significantly differ from 50% (p=0.95). About 77% (n=239) of the sample population had a junior high school education or lower, while the remaining 23% (n=71) had at least a high school level education or higher (Table 2). Individuals in the illegal mining and mining-adjacent communities were more likely to report having at least a Junior High School level education (54% and 41% respectively) than individuals in non-mining communities (32%), a result that is significant using a Chi2 test at the p<0.05 level. Surveyed households were
predominately Christian (91%), but about 6% of households self-identified as Muslim.

Ethnic Akans dominated the sample: 15.21% of respondents self-reported as Asante, 22.97% self-reported as Nzema, and 22.01% self-reported as Wassa. The sampling technique employed captured a total of 32 different ethnic groups across the 12 villages (Table 3). The Wassa ethnic group was overrepresented in the illegal mining communities (72%), which may ultimately have influenced survey results.

The research team did not ask about household income directly given difficulties associated with obtaining reliable figures (MacLean 2010). In Ghana, men and women in a single household generally maintain separate earnings, with different pots of money being applied toward supplying gender-oriented household goods and services. As a result, we attempted to infer a household’s level of wealth based on specific characteristics including whether individuals owned phones, televisions and radios, refrigerators, cars or motorbikes, or used fans for temperature control (Table 2). We asked respondents to report whether and how many objects they owned, and then multiplied that number by a weighted value to produce a raw wealth score. Phones were given a weight of 1, televisions a weight of 2, working refrigerators a weight of 4, radios a weight of 0.5, cars or motorbikes a weight of 5, and the use of fans a weight of 1. Wealth estimates across the entire sample population ranged from 0-49. The mean was 9.04 (standard deviation 7.54), the mode was 4.5, and the median was 7.5. There was no significant difference in average wealth between villages (ANOVA, p=0.110).
Table 2: Demographics of respondents

<table>
<thead>
<tr>
<th>Village Type</th>
<th>Respondent: Household Head</th>
<th>Male</th>
<th>Education</th>
<th>Average Age</th>
<th>Wealth Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Respondent: Household Head</td>
<td>Male</td>
<td>None-Primary</td>
<td>Jr High</td>
<td>High School or Greater</td>
</tr>
<tr>
<td>Non-Mining (n=76)</td>
<td>66%</td>
<td>63%</td>
<td>41%</td>
<td>32%</td>
<td>28%</td>
</tr>
<tr>
<td>Galamsey (n=127)</td>
<td>56%</td>
<td>46%</td>
<td>28%</td>
<td>54%</td>
<td>18%</td>
</tr>
<tr>
<td>Mining Adjacent (n=107)</td>
<td>42%</td>
<td>46%</td>
<td>34%</td>
<td>41%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Many respondents reported engaging in multiple occupations – some of which were more cash based than others. For example, most individuals primarily identified as farmers (47%) but it was not unusual for respondents to report that they participated in secondary and tertiary professions. Indeed, many farmers supplemented their income with illegal mining work, which provided a more regular and reliable cash flow (see also (Hilson 2009). A total of 14 individuals (4.52%) described their primary profession as “galamsey” or illegal mining. This percentage corresponds with sources that estimate about 3.9% of Ghana’s population participates in the informal mineral economy (GoG 2016). In total, 91 people said they engaged in the informal mineral economy at some point in their lives, and most of these people (84%) lived primarily in illegal mining communities. Indeed, there was a significant difference between illegal mining communities and mining-adjacent and non-mining villages in terms of the number of individuals that had participated in galamsey at any point in life (p<0.000). This suggests that rather than serving as a static profession, the informal mining economy is highly
dynamic with individuals periodically entering and exiting the sector based on specific needs. For example, one man in Village G5 stated that he “started the [galamsey] work about 2-3 years ago” with the hope of “saving enough money to buy a minibus to use as a commercial vehicle” (March 2015). Another said that “[my son] did the work for a few months at the underground site in [Village G4]. He wanted to raise money for a new building since the river keeps flooding the house” (March 2015). In the same village, a young women remarked that she carried load at a surface mining site in order “to obtain capital to start-up her trading business” (March 2015). Finally, a younger miner noted during a conversation in Village G2 that “most of the people get involved [in galamsey] with the idea of seeking capital for other activities. Many of them are students but as they get involved, the sense of making money clouds their plans hence very few actually leave the work after getting the monies they initially wanted” (February 2015). These findings correspond to conclusions in the wider literature that illegal mining constitutes a critical livelihood activity that serves to supplement rural household incomes (Hilson & McQuilken 2014).
### Table 3: Demographic data for villages

<table>
<thead>
<tr>
<th></th>
<th>F1</th>
<th>F2</th>
<th>F3</th>
<th>G1</th>
<th>G2</th>
<th>G3</th>
<th>G4</th>
<th>G5</th>
<th>M1</th>
<th>M2</th>
<th>M3</th>
<th>M4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of Households</strong></td>
<td>133</td>
<td>976</td>
<td>204</td>
<td>180</td>
<td>177</td>
<td>1274</td>
<td>160</td>
<td>66</td>
<td>410</td>
<td>966</td>
<td>746</td>
<td>331</td>
</tr>
<tr>
<td><strong>% of Surveyed Households</strong></td>
<td>18.8</td>
<td>2.8</td>
<td>11.8</td>
<td>15.6</td>
<td>13.6</td>
<td>2</td>
<td>15</td>
<td>37.9</td>
<td>7.1</td>
<td>3</td>
<td>3.2</td>
<td>7.6</td>
</tr>
<tr>
<td><strong>Ethnic Groups</strong></td>
<td>12</td>
<td>31</td>
<td>30</td>
<td>14</td>
<td>25</td>
<td>44</td>
<td>27</td>
<td>12</td>
<td>24</td>
<td>25</td>
<td>33</td>
<td>32</td>
</tr>
<tr>
<td><strong>% of Ethnic Groups in Sample</strong></td>
<td>75</td>
<td>13</td>
<td>37</td>
<td>50</td>
<td>16</td>
<td>23</td>
<td>37</td>
<td>67</td>
<td>29</td>
<td>8</td>
<td>27</td>
<td>25</td>
</tr>
</tbody>
</table>

**Census Occupation**
- Farmer (81%)
- Farmer (72%)
- Farmer (56%)
- Farmer (80%)
- Machine Operators (44%)
- Machine Operators (49%)
- Trader (31%)
- Galamsey (19%)

**Reported Occupation**
- Farmer (76%)
- Farmer (44%)
- Farmer (63%)
- Farmer (46%)
- Farmer (63%)
- Farmer (67%)
- Farmer (48%)
- Farmer (28%)
- Farmer (31%)
- Farmer (58%)
- Farmer (48%)

*Source:* 2010 National Census from the Ghana Statistical Service and survey data (n=310). Census data should be interpreted with caution given reliability issues.
In terms of agricultural output, non-mining villages were more likely to produce staple crops when compared to mining-adjacent and illegal mining communities (Chi²=15.3128, p<0.000). Similarly, non-mining villages were more likely to produce cocoa, a result which was also highly significant (p<0.000) (Table 4). Non-mining village households reported possessing significantly more land for farming, measured by averaging total reported acreage, than did illegal mining and mining villages (ANOVA p<0.05). With regards to ownership structure, most people in the sample population said that cultivated land was family-owned land (51%), privately held (23%), cultivated on an informal sharecropping agreement (22%), or belonged to the traditional authorities (4%).

Table 4: Percentage of households growing principal crops, measured both by village type and by the total number of households growing each crop within the entire sample population

<table>
<thead>
<tr>
<th>Village Type</th>
<th>Plantain</th>
<th>Cocoa</th>
<th>Cassava</th>
<th>Maize</th>
<th>Oil Palm</th>
<th>Tomatoes</th>
<th>Cocoyam</th>
<th>Average Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Mining</td>
<td>79%</td>
<td>89%</td>
<td>80%</td>
<td>50%</td>
<td>30%</td>
<td>51%</td>
<td>58%</td>
<td>11.71</td>
</tr>
<tr>
<td>Illegal Mining</td>
<td>60%</td>
<td>54%</td>
<td>65%</td>
<td>31%</td>
<td>19%</td>
<td>43%</td>
<td>29%</td>
<td>6.60</td>
</tr>
<tr>
<td>Mining-Adjacent</td>
<td>64%</td>
<td>54%</td>
<td>66%</td>
<td>48%</td>
<td>18%</td>
<td>45%</td>
<td>44%</td>
<td>8.78</td>
</tr>
<tr>
<td>Sample Total</td>
<td>66%</td>
<td>63%</td>
<td>69%</td>
<td>42%</td>
<td>21%</td>
<td>45%</td>
<td>41%</td>
<td>8.58</td>
</tr>
</tbody>
</table>

About 92% of the households surveyed had electricity, and 87% of households with electricity reported that they expected to have at least four hours per day.

Boreholes remained the predominant source of drinking water for communities (27.74%); however, many households reported supplementing borehole water with river water (8.39%). Natural water sources, like rivers or streams, were the second most
important source of water (13.23%), with households supplementing that source with sachet (bagged) water (4.52%). About 12.26% of households reported paying for piped water from a source external to the household. In terms of environmental concerns, 67.49% of respondents reported that they believed forest cover in Ghana is decreasing, and individuals residing in mining communities (both illegal and mining-adjacent) were more likely to perceive deforestation as a problem (p<0.002). In all the villages, households appeared most concerned about waste and sanitation issues, as well as water issues (especially water scarcity and water pollution). Respondents in illegal mining communities, in particular, were concerned about how galamsey activities were impacting water quality. One individual noted that his community encountered “water problems [because] the big river is now polluted because of Galamsey” (January 2015). Overall, mining communities (both illegal and mining-adjacent) were significantly more likely to perceive environmental issues in their communities than non-mining communities (chi2= 15.1835, p<0.004). This finding supports claims that mining communities contend with a higher degree of negative externalities from extractive activities.

6.1.4 Survey Results: Fractured Authority for Minerals Governance

To understand how local communities perceived authority for natural resource governance on the ground in Ghana, we asked respondents to indicate which actor has primary control over minerals, whether this actor has total or shared control over
mineral resources, how well the actor enforces the rules to manage minerals (on a scale from 1-5), and the ease with which the respondent felt they could legally access mineral resources for their livelihood (on a scale from 1-5).\textsuperscript{10} Raw survey responses are presented in Table 4. Across all villages, about 28\% of respondents assigned total authority for minerals governance to the state, 30\% assigned total authority to traditional authorities (chiefs and elders), and 22\% assigned total authority to other sources (i.e., individual landowners or private companies). About 20\%, however, argued that responsibility for minerals governance was shared between the state and traditional authorities (Table 5). This suggests that while the state views its governing authority over mineral resources as absolute (GoG 2006), local communities at the subnational level retain an entirely different image of natural resource governance authority on the ground. For example, 30\% of the sample viewed traditional authorities as retaining absolute authority over mineral governance, and an additional 20\% believed that authority was split between the state and traditional authorities. This indicates that at least 50\% of the sample views traditional institutions as playing a critical role in natural resource governance – either with the state or in lieu of it. Finally, 34\% of the sample indicated that several authorities shared responsibility for mineral governance – even when these individuals specified only one primary authority in the initial question. This suggests that at the local level,

\textsuperscript{10} Researchers also this same series of questions for “forests,” “wildlife & fish,” “environment,” “water,” and “land for farming.”
authority for minerals governance is fractured between several different governance networks.

Table 5: Perceptions of mineral governance in Ghana by village type

<table>
<thead>
<tr>
<th>Minerals Authority</th>
<th>Chief</th>
<th>State</th>
<th>Chief &amp; State</th>
<th>Other</th>
<th>Shared Authority</th>
<th>Good Enforcement</th>
<th>Access Difficult</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Mining (n=76)</td>
<td>20%</td>
<td>33%</td>
<td>26%</td>
<td>21%</td>
<td>34%</td>
<td>32%</td>
<td>57%</td>
</tr>
<tr>
<td>Galamsey (n=127)</td>
<td>34%</td>
<td>24%</td>
<td>13%</td>
<td>28%</td>
<td>27%</td>
<td>26%</td>
<td>44%</td>
</tr>
<tr>
<td>Mining-Adjacent (n=107)</td>
<td>33%</td>
<td>29%</td>
<td>24%</td>
<td>14%</td>
<td>41%</td>
<td>37%</td>
<td>55%</td>
</tr>
<tr>
<td>Total (n=310)</td>
<td>30%</td>
<td>28%</td>
<td>20%</td>
<td>22%</td>
<td>34%</td>
<td>31%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Based on these summary statistics, I ran a logistic regression to further analyze possible factors influencing how people assigned governance authority across different actors (Table 6). I created a binary dependent variable, State Authority, by coding all responses indicating that the “state” possessed governance authority for minerals as 1 and remaining responses as 0. This means that responses which suggested that governance authority for minerals was shared between traditional authorities and the state were coded as 1 because the respondent at least partially recognized state authority vis-à-vis minerals governance.

Results from the logistic regression, presented in Table 6, demonstrate that living in an illegal mining community decreases the log odds of assigning mineral authority to
the state by 1.353. Additionally, respondents educated at the primary level and those who believed that mineral rules were well enforced were significantly less likely to view the state as possessing authority for minerals governance. Respondents were more likely to assign authority to the state, on the other hand, when they perceived that access to mineral resources was difficult, if they were older, male, believed that governance authority was shared between different actors, or viewed the state as the primary authority for forest governance (Table 6).
## Table 6: Logistic regression of state authority for minerals on key characteristics

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>Coefficients</th>
<th>Marginal Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State Authority: Minerals</td>
<td></td>
</tr>
<tr>
<td>Illegal Mining Village</td>
<td>-1.238**</td>
<td>-0.203**</td>
</tr>
<tr>
<td></td>
<td>(0.441)</td>
<td>(0.069)</td>
</tr>
<tr>
<td>Mining-Adjacent Village</td>
<td>-0.0554</td>
<td>-0.009</td>
</tr>
<tr>
<td></td>
<td>(0.377)</td>
<td>(0.062)</td>
</tr>
<tr>
<td>Access Minerals: Difficult</td>
<td>1.177***</td>
<td>0.193***</td>
</tr>
<tr>
<td></td>
<td>(0.308)</td>
<td>(0.046)</td>
</tr>
<tr>
<td>Mineral Enforcement</td>
<td>-0.990**</td>
<td>-0.162**</td>
</tr>
<tr>
<td></td>
<td>(0.343)</td>
<td>(0.054)</td>
</tr>
<tr>
<td>Engaged in Illegal Mining?</td>
<td>0.761</td>
<td>0.125</td>
</tr>
<tr>
<td></td>
<td>(0.405)</td>
<td>(0.065)</td>
</tr>
<tr>
<td>Age</td>
<td>0.0345***</td>
<td>0.006***</td>
</tr>
<tr>
<td></td>
<td>(0.0105)</td>
<td>(0.002)</td>
</tr>
<tr>
<td>Male</td>
<td>0.884**</td>
<td>0.145**</td>
</tr>
<tr>
<td></td>
<td>(0.305)</td>
<td>(0.047)</td>
</tr>
<tr>
<td>Primary Education</td>
<td>-1.954***</td>
<td>-0.321***</td>
</tr>
<tr>
<td></td>
<td>(0.455)</td>
<td>(0.067)</td>
</tr>
<tr>
<td>Secondary Education</td>
<td>-0.576</td>
<td>-0.094</td>
</tr>
<tr>
<td></td>
<td>(0.390)</td>
<td>(0.063)</td>
</tr>
<tr>
<td>Shared Authority: Minerals</td>
<td>1.208***</td>
<td>0.198***</td>
</tr>
<tr>
<td></td>
<td>(0.322)</td>
<td>(0.048)</td>
</tr>
<tr>
<td>State Authority: Forests</td>
<td>1.062*</td>
<td>0.174*</td>
</tr>
<tr>
<td></td>
<td>(0.455)</td>
<td>(0.072)</td>
</tr>
<tr>
<td>Constant</td>
<td>-2.382***</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.680)</td>
<td></td>
</tr>
</tbody>
</table>

| Observations                   | 303          |
| R²                             | 0.283        |

Standard errors in parentheses

*** p<0.001, ** p<0.01, * p<0.05

Results from the logistic regression support the hypothesis that governance authority for minerals in Ghana is highly fractured on the ground on several accounts.
Of critical significance is the idea that the type of community in which an individual resides is important in determining who that individual assigns governance power to vis-à-vis minerals specifically and natural resources broadly. Respondents living in illegal mining villages were more likely to assign governance authority for minerals to traditional authorities, individual land owners or family heads, or to no one. Additionally, respondents in illegal mining villages reported finding it less difficult to obtain legal access to mineral resources than individuals in mining-adjacent or non-mining communities (Chi2=4.067 p<0.05). This suggests that individuals living in communities where illegal mining is prevalent are more likely to see alternative governance suppliers as legitimate pathways to mineral access. In other words, individuals who engage in the informal economy continue to utilize different types of governance networks in order to solve problems of access. An EPA regional officer in Tarkwa provided further support for this claim, noting, “there is a misconception – landowners and chiefs don’t know or are not convinced that minerals are state property, that they are vested in the President. Communities have surface rights, but when it comes to minerals...those aren’t for [the communities]. But they [the chiefs and family

11 Access was measured on a scale from 1-5, with 1 being that legal access was difficult and 5 being that legal access was easy. In this context, “legal” access is understood to mean access granted by the regulatory state via permits and licenses. In the logistic regression, access served as a binary variable. Responses were coded as 0 if respondents assigned a number greater than or equal to 3 to ease of access or where they responded that they did not know. Responses were coded as 1 if respondents assigned a number less than 3 to ease of access.
heads] think they own it and then give it out to galamsey...they find it lucrative” (November 2014).

In contrast, mining-adjacent and non-mining villages typically perceived that it more difficult to obtain legal access to mineral resources, a perception which was significantly correlated with assigning authority for minerals governance to the state (Table 5). These communities may view regulatory policy as more exclusionary and access a more difficult problem to solve for three reasons. First, regulatory policies may be more visible and better enforced in these communities because of the presence of large-scale companies and/or forest reserves. Indeed, while respondents across all villages reported not knowing about the activities or policies of the EPA (73%), the Forest Commission (82%), or the Minerals Commission (79%), those that did know of them tended to live in mining-adjacent or non-mining communities where these agencies were more active. Second, households in mining-adjacent villages were more likely to say that governance authority for minerals is shared between the government and traditional authorities as compared to illegal mining and non-mining communities (Chi2=6.535, p<0.01). This suggests a recognition that the state plays a key role in permitting the operations of large-scale mining companies, and that the power of the traditional authorities may be infringed upon within this context. Indeed, evidence from the qualitative cases suggests that while chiefs are perceived by these communities as critical for negotiating development benefits with the company, their authority may
simultaneously be eroded by their inability to deliver expected benefits, solve problems of mineral access, or mitigate negative impacts – a phenomena which Hirons (2015: 496) refers to as “lumpy legitimacy.” Finally, non-mining communities tended to view any type of mining more negatively as respondents feared it would disrupt agricultural activities. A number of households reported engaging in collective action, in partnership with traditional authorities and the Forestry Commission, to keep mining activities away from their villages and protect their land holdings from the impacts of both formal and informal mining projects.

In addition to village type, there were also important differences in local perceptions of governance authority around different resource types – especially forests. Forests – forest reserves in particular – were more likely to be perceived by respondents as a “state” resource, and thus “formally” off limits to local communities. About 85% of respondents noted that the state possesses primary control of forest resources, although about 12% of these respondents indicated that its authority is shared with traditional authorities. Individuals in forest-edge communities, in particular, appeared acutely aware that the state attempts to strongly enforce its authority in forest areas as compared to illegal mining and mining-adjacent communities (Chi2=11.3862, p<0.01). One Forest Guard in G1, for example, argued, “the government does not mess around with issues of forest protection. Anyone in the forest would be arrested – it is very serious. [The State] frowns on any kind of entry or access…even to pick a leaf [we] have
to get a permit from the forest office” (January 2015). Armah et al. (2014: 1741) also supports this conclusion, noting, “through various laws and policies by successive governments, the rights and access of farmers and indigenous people to natural resources have been encroached upon in the forestry sector.” This suggests that authority for natural resource governance is fragmented not only by the extent to which different actors can solve problems of access, but also by governance norms around particular resources themselves. Based on this evidence we expect the state to make greater efforts to enforce its authority for some resources (i.e., forests) than others.

Issues of access and ownership tie into larger debates about land tenure in Ghana and Sub-Saharan Africa. Land tenure and property rights in Ghana, as in many Sub-Saharan resource-rich states, have been characterized primarily by their fluidity and instability since the Colonial era (Firmin-Sellers 1996). While the Ghanaian state has attempted over time to dismantle the powers of traditional authorities and enhance its ability through national legislation to acquire land for development purposes (Chazan 1983), traditional leaders retain important roles as land custodians (Ubink & Quan 2008). About 80% of Ghana’s land is held under customary tenure and is vested in chiefs, earth priests, or other customary authorities (Kasanga & Kotey 2001; USAID 2012). Community members access customary lands through their male lineage, while non-native migrants or foreigners access these lands through the traditional authorities and
exercise their use-rights through land clearing and cultivation. The fragmented nature of this tenure system has contributed to substantial conflict about who, exactly, has the right to give out land for extractive use. This is true despite the fact that the Mines and Mineral Act (2006) grants the state ownership of mineral resources and gives the government the authority to occupy and use land for mining (GoG 2006). A USAID (2012: 21) report observes: “the law authorizes the government to compulsorily acquire or occupy land that is deemed necessary to develop or utilize mineral resources, although it requires fair, adequate and prompt compensation to the land rights holder.”

Regulatory actors interpret such statues as meaning that “the laws of the nation state that everything on the surface of a land belongs to the land owner but when it comes to the minerals in the land, it becomes the property of the entire nation. So the chief of an area for instance owns the land, and everything on the surface is for him, but when it comes to minerals, he doesn’t have rights over that. Not even Otumfuo the Asantehene” (EPA Representative, Obuasi Small-Scale Mining Forum, December 2014).

Despite the the fact that the state clearly perceives that it has total authority to govern land in relation to managing mineral resources, no respondent said that authority for land governance rested with the state; rather, 204 respondents (66%)

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12 There are several categories of customary land in Ghana: allodial titles (the highest possible interest in land in Ghana and vested in stools, skins, clans or families), freehold titles (granted by gift or sale by an allodial rights holder), customary freehold titles (the rights held by individuals or groups on behalf of the stool or skin), leaseholds, or sharecropping (abunu/abusa) arrangements [for more information, see (Kasanga & Kotey 2001; Ubink & Quan 2008; USAID 2012)].
reported that traditional authorities have primary control over land resources (although this control may be shared with family heads or individual landowners) whereas 99 (32%) indicated that individual landowners or family heads retained primary control. Further, results from the logistic regression suggest that robust mineral enforcement is significantly and negatively correlated with assigning authority for minerals to the state. This is because respondents ascribed greater enforcement capacity to traditional authorities, in terms of enforcing the operative rules of minerals governance, rather than to the state (Chi2=11.382, p<0.001). This suggests that the division between surface rights and sub-surface rights remains ambiguous to local communities, and that despite the state’s encroachment on traditional powers, these institutions remain a significant source of local authority and enforcement. Under the legitimacy of traditional structures, then, “illegal” small-scale and artisanal miners likely view themselves as operating within the bounds of legitimate governance structures. Indeed, Van Bockstael (2014) argues that in Liberia, small-scale miners operate at various “stages” of legality through payment of informal taxes and informal arrangements with local government officials.

In addition to those actors specifically named by respondents as having governance authority for minerals, another set of actors frequently came up in more

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13 Enforcement capacity was measured on a scale from 1 to 5, with 1 being low and 5 being high. In the logistic regression, enforcement served as a binary variable. Responses were coded as 0 if respondents assigned a number less than 3 to the governance authority or where they responded that they did not know. Responses were coded as 1 if respondents assigned a number higher than 3 to the governance authority.
informal conversations – District Assemblies representatives. Although the District Assemblies, responsible for overall development in their district via the 1993 Local Government Act (No. 462), have a limited role in the mineral licensing process (i.e., they are confined to publicizing, communicating about, and endorsing applications for artisanal and small-scale mining concessions), they are supposed to play a somewhat more substantial role in combating illegal mining in their districts (Hirons 2014). Specifically, District Assemblies are meant to address illegal mining through a number of subcommittees, including the development and environmental planning committees and the District Security Council. The District Security Council, in particular, relays information about district-level illegal mining activities to the larger regional and national taskforces for enforcement. For example, the DCE of Ellembelle District noted that the Security Council “looks at security threats and if it determines that [the threat] is beyond the ability of the District Council to address, then the Council contacts the Regional Coordinating Council [and requests] the task force to come in” (#100 February 2015). Yet despite their enforcement role, local communities tend to see District Assembly representatives as an ally to help circumvent formal regulations. In some villages, G5 for instance, illegal miners reported paying taxes to the district assembly in exchange for protection vis-à-vis state enforcement units. Hirons (2014: 25) also suggests

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14 The DCE clarified that in terms of mining a threat becomes too big for the District if 1) the operation is too large, 2) the expertise needed is not there, or 3) if engagement is perceived as very dangerous (February 2015).
party affiliation could play a role in enforcement, noting in an interview with an illegal miner that, [galamsey] “…sponsors don’t all belong to one party, so they will call the soldiers when they see someone from another party mining [illegally]. Most of the sponsors around here are NPP [New Patriotic Party], so when someone from the NDC [National Democratic Congress] sees you, he will inform the chief or the assembly and people in Accra and they will bring the military to disturb you.” This suggests that while the formal governing relationship between the District Assemblies and traditional authorities remain poorly clarified and contentious, both of these institutions serve a critical function as a route to informal mineral access and protection from the state.

6.1.5 Survey Results: Fractured Authority and Conflict

Within the context of a fragmented political terrain, governance networks ultimately compete for natural resource access and benefits. Such competition may promote conflict over natural resources, especially where the political state decides to address this competition and impose its authority more forcefully at the local level. This suggests that two factors require consideration in order to understand local conflict risk: competition for resources between governance networks and whether the area under consideration is strategically important enough to warrant state interference. Using this analytical framework, I ran an ordered logistic regression to understand how fragmentation and enforcement effort contribute to perceptions of conflict risk among communities (Table 7).
I recoded the villages into four categories based on the typology introduced in Chapter 3 (Figure 4): noninterference communities (G1, F1, and F2), interdependent communities (M3 and M4), selective interference communities (G2, G5, and F3), or direct interference communities (M1, M2, G3, and G4). Coding decisions were made by analyzing the qualitative data from the field research (see next section for more detail).

Villages G1, F1, and F2 were coded as “noninterference” either because they were not extractive communities (F1 & F2) or because the extractive activities occurring were extremely small-scale in nature and overall competition for mineral resources was low (G1). Villages M3 and M4, located within the Newmont Concession in Brong-Ahafo, were coded as “interdependent” because these communities were situated around a large-scale concession, but informal competition for mineral resources was lower than in other regions. Villages G2, G5, and F3 were coded as “selective interference” because these areas experienced high competition for natural resources (either forest or mineral resources) and state enforcement efforts varied depending on the extent to which these activities impacted nearby forest reserves (which the state considers a strategic resource). Village F3, it should be noted, is a non-mining, forest-edge community. However, it was included in this quadrant because it experienced intensive illegal chainsaw activity, which in many aspects can be characterized as similar to informal mining activities. This community regularly experiences instances of armed conflict; for example, an illegal chainsaw gang shot at a vehicle on the road while we were working.
in the community. Finally, Villages M1, M2, G3, and G4, situated within the Adamus and Golden Star concessions, were coded as “direct interference” because there was high competition for mineral resources and high levels of state enforcement to protect formal concessions.

Figure 4: Village typology

The research team asked respondents the extent to which they agreed with the statement: “it is unthinkable that my community will experience violent conflict over natural resources.” Responses were divided into three categories: 0 – strongly or somewhat agree, 1 – unsure, and 2 – strongly or somewhat disagree. We chose to measure local perceptions of conflict, rather than attempting to obtain observable
records of conflict, for two reasons. First, the concept of conflict is extremely context-dependent. In other words, what an outsider may observe and measure as an instance of conflict may or may not actually represent conflict to households within a particular community. By asking specifically about how households perceived the risk of violent conflict, we allowed respondents to define this concept in their own terms, which may ultimately be more useful for understanding conflict risk in particular locations. While this approach sacrifices specificity in defining the overall concept of “conflict,” it enhances the ability to conceptualize conflict in locally relevant terms. Second, one major goal of this research is to broaden conceptualizations of conflict and peace in political science. Conca (2002: 9) argues that “peace can be thought of as a continuum ranging from the absence of violent conflict to the inconceivability of violent conflict” and that “the material challenge of peace is to address problems of structural violence and social inequality – problems that make intergroup violence, on scales from local to transnational, all too easy to imagine.” Thus in asking respondents to imagine whether violent conflict over natural resources was plausible, we attempted to create a more robust picture of whether individuals were confident in the “imagined security” of their community (and country). Evaluating whether local communities feel the sense of stability and security which is often ascribed to Ghana, considered by the international community as a relatively stable and secure democracy, is critical for pushing the boundaries of how we understand broader concepts of conflict and peacebuilding.
Table 7: Logistic regression of natural resource conflict on key characteristics

<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>COEFFICIENTS</th>
<th>Marginal Effects</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Conflict</td>
<td>Conflict = 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Type: Interdependent</td>
<td>-0.143</td>
<td>-0.027</td>
<td>(0.400)</td>
<td>(0.075)</td>
</tr>
<tr>
<td>Community Type: Selective Interference</td>
<td>0.675*</td>
<td>0.126*</td>
<td>(0.339)</td>
<td>(0.062)</td>
</tr>
<tr>
<td>Community Type: Direct Interference</td>
<td>0.895**</td>
<td>0.167**</td>
<td>(0.318)</td>
<td>(0.057)</td>
</tr>
<tr>
<td>Mineral Access</td>
<td>0.374</td>
<td>0.070</td>
<td>(0.252)</td>
<td>(0.047)</td>
</tr>
<tr>
<td>Mineral Enforcement</td>
<td>-0.538*</td>
<td>-0.100*</td>
<td>(0.275)</td>
<td>(0.051)</td>
</tr>
<tr>
<td>Age</td>
<td>-0.025**</td>
<td>-0.005**</td>
<td>(0.008)</td>
<td>(0.001)</td>
</tr>
<tr>
<td>Male</td>
<td>0.328</td>
<td>0.061</td>
<td>(0.257)</td>
<td>(0.047)</td>
</tr>
<tr>
<td>Primary Education</td>
<td>-0.189</td>
<td>-0.035</td>
<td>(0.352)</td>
<td>(0.066)</td>
</tr>
<tr>
<td>Secondary Education</td>
<td>-0.140</td>
<td>-0.026</td>
<td>(0.320)</td>
<td>(0.060)</td>
</tr>
<tr>
<td>Constant cut1</td>
<td>-0.321</td>
<td></td>
<td>(0.452)</td>
<td></td>
</tr>
<tr>
<td>Constant cut2</td>
<td>0.504</td>
<td></td>
<td>(0.452)</td>
<td></td>
</tr>
<tr>
<td>Observations</td>
<td>302</td>
<td></td>
<td>0.054</td>
<td></td>
</tr>
</tbody>
</table>

Standard errors in parentheses

Community Type: Non-Extractive is reference Community category.
*** p<0.001, ** p<0.01, * p<0.05

Results from the ordered logistic regression support the conflict typology and suggest that local context matters significantly in terms of how communities perceive
the risk of violent conflict. The model suggests that households in the interdependent communities actually expected less conflict than the noninterference communities (the reference category); however, this result was not statistically significant (Table 7). Selective interference communities, on the other hand, expected significantly more conflict than noninterference communities. For selective interference communities, the odds of perceiving high conflict risk versus the combined unsure and low conflict categories were 1.964 times higher than for noninterference communities, given the other variables are held constant. Likewise, the odds of the combined categories of high and unsure versus low were 1.964 times higher for selective interference communities compared to noninterference communities, given the other variables are held constant in the model. The odds of perceiving high conflict significantly increase again for direct interference communities. Here, the odds of perceiving high conflict risk versus the combined unsure and low conflict categories were 2.446 times higher than for noninterference communities, given the other variables are held constant. This analysis supports the conclusion that communities perceive their conflict risk to be higher where competition for resource access is higher and where the state has more interest in consolidating its authority on the ground.

\[\text{For the ordered logistic regression, the test of proportionality was not significant (Chi2=10.57, p=0.159), suggesting that the parallel regression assumption was not violated.}\]
Additionally, the ordered regression suggests that age and mineral enforcement influenced perceptions of conflict risk, whereas access to mineral resources did not. In terms of age, older respondents were more likely to perceive conflict as less of a risk than younger respondents. This outcome corresponds to other literature that has shown that youth groups are a significant driver of the informal mineral economy (Hilson & Gatsinzi 2014; Maconachie 2014). Hilson and Gatsinzi (2014: 6) note in particular that “one of the main concerns in the rural communities where ASM takes place is youth unemployment.” This potentially suggests that Ghanaian youth, who tend to lack rural employment opportunities, are more open to the possibility of violent conflict to achieve their interests.

Mineral access is likely not a significant predictor of conflict risk because, as shown in the previous model, individuals can gain access from a diverse number of governance networks on the ground. In other words, regulatory exclusion does not necessarily generate conflict as some scholars have postulated (Fisher 2007); rather, I suggest that exclusion leads to a fragmentation of authority on the ground, and the resulting competition between these governance actors as they contend for resource access and benefits ultimately generates conflict. As a result, we might expect the access coefficient to become more positive and significant if the state were to attempt to more forcefully consolidate its authority across all local contexts – effectively clamping down on competition from competing networks. Unlike access, respondents viewed better
enforcement as significantly less correlated with conflict risk. This outcome could be interpreted in two ways. First, traditional authorities are more likely than the state to firmly enforce rules around minerals governance. These enforcement measures tended to be perceived by local communities as having greater clout and thus less open to being challenged. Second, local communities may have a better understanding of the rules as they are enforced by traditional authorities. A better understanding of the rules and when they will be applied may reduce uncertainty and thus conflict risk. In pursuing its strategy of selective enforcement, on the other hand, the state may increase local uncertainty and thus conflict risk.16 Ironically then, strategies of selective enforcement may ward off large-scale conflict by accommodating local networks of authority but stimulate chronic local conflict as communities contend with the unpredictability of state enforcement measures.

Ultimately, evidence from the regression analyses suggests that there is widely differing perspectives as to who has the legitimate authority to control natural resources on the ground in Ghana, and that such a fragmentation of authority influences local

16 I ran several robustness checks on both of the logistic regressions. To address issues of whether households in a particular village were more alike, I ran the regressions as panel data using the variable “village” as the panel. There was no significant difference between the initial regression output and the panel regression output. I also aggregated village-level data to compare villages as 12 data points. Although I lost power because of the limited number of observations, the direction and value of the coefficients for non-socioeconomic variables were not significantly different. However, individual characteristics, especially education, did significantly differ between the two analyses. This suggests that either the analysis requires a greater number of observations or that intra-community variation in socioeconomic characteristics is an important factor in understanding governance authority and conflict risk. More fieldwork would be required to test this outcome.
perceptions of natural resource conflict. This is an important result because individuals embedded within state-affiliated institutions continue to perceive a well-defined chain of command that solves problems according to the scale at which they are experienced. The District Assembly representative in M2 argued, for example, that communities “see [the Chief] as a local problem solver [but] when it comes to governance – it comes down to the District Assembly. The Chiefs and [Traditional] Council rely on the District Assembly – through the DA [representatives] [they] can get to the DCE (District Council Executive). The DCE can direct [the issue] to the MP (Member of Parliament)” (February 2015). However, discussions with community members and informal miners reveal that the line between formal governance structures and “indigenous” institutions is rarely clear cut. Rather, what matters to local communities is the availability of a strong patron – a governance authority that can provide individual benefits (i.e., access and protection) in exchange for power (i.e., votes) or material benefits (i.e., taxes). Strong patrons can take many forms in Ghana’s political terrain: traditional authorities, political

\[17\] In Ghana, decentralization introduced five structural “levels” of authority: 1) national level government; 2) Regional Coordinating Councils; 3) Metropolitan, Municipal, and District Assemblies (218 Assemblies); 4) Area Councils; and 5) Community committees (about 6,000). Governance issues are theoretically divided between these different levels to enhance salience for local communities; however, in reality many are still primarily addressed at the national level (LOGODEP January 2015).

\[18\] Appiah-Opoku and Hyma (1999: 15) state that “indigenous institutions represent established local systems of authority and other phenomena derived from the sociocultural and historical processes of a given society. They originate from local cultures, have firm roots in the past, and are variously referred to as informal, pre-existing, or native institutions.”
elites acting either within or outside of the formal state, foreign and domestic business elites, or multinational mining companies.

6.2 Conflict in Context: Understanding Ghana’s Political Terrain

The logistic regressions support the typology introduced in Chapter 3; however, to more fully understand causal relationships between governance authority and natural resource conflict, this section qualitatively examines individual case studies across the 12 villages surveyed. More specifically, the following subsections examine eight case studies grouped within the authority-conflict typology (i.e., noninterference, interdependent, selective interference, and direct interference). Using these cases, I trace political relationships across scale to analyze how individuals leverage different institutions to obtain natural resource access and benefits, as well as how those relationships impact perceptions of authority and conflict. In the analysis, I employ qualitative data from Villages F1 and G1 as noninterference communities, Villages M3 and M4 as interdependent communicates, Villages G2 and G5 as selective interference communities, and Villages G3 and G4 as direct interference communities.

6.2.1 Noninterference Communities: F1 and G1

In both F1 and G1, interview, survey, and ethnographic data reveal that village-level institutions remain critical for natural resource governance. Village F1 is best characterized as a primarily agricultural and non-extractive community while Village G1 is an agricultural community with ongoing artisanal galamsey operations (several
groups dredge for gold in the “big river”). Both communities are situated in close proximity to protected areas important to the state and have witnessed the implementation of national and international programs intended to reduce deforestation and enhance forest protection. Yet, the state has shown little interest in consolidating its authority in these communities, despite their proximity to critical resources and the fact that Village G1, in particular, has continued to engage in extractive activities. Rather, in F1 and G1, traditional authorities and community governance organizations maintain authority for making governance decisions, while the state appears to communities as remote and unhelpful. As a result, both communities have experienced lower levels of competition for natural resource control and thus low levels of natural resource conflict.

6.2.1.1 Village F1

Situated on the edge of Ankasa Resources Reserve, Village F1 has been the target of state initiatives that attempt to enhance conservation efforts by helping communities assume a greater role in the management of their natural resources and thus benefit more substantially from their proximity to forest reserves. The most important of these initiatives, for Village F1 and surrounding communities, has been the designation of a Community Resource Management Area (CREMA) – a legal framework that builds on existing community structures to promote greater ownership of forest resources as well as greater participation in their management. The CREMA, modeled on community based natural resource management programs like CAMPFIRE in Zimbabwe, attempts
to integrate wildlife management into local farming practices by encouraging farmers to engage in land use activities, such as tree planting, that “extend” the boundaries of the protected area. The goal is ultimately to encourage “spillover effects” by enhancing the amount of land in the protected area buffer zones that can serve as suitable habitat for wildlife species. A Forestry Commission official noted, “because of the [local] ownership system – if [a farmer] doesn’t weed [his farmland], it means [that farmer] doesn’t need [that farmland]…he must do things [to the land] that maintain a clear stake to ownership. The CREMA [encourages farmers] to leave land not being used [in order to] encourage wild animals on farms” (Personal Communication FC January 2015). To reward local communities for these efforts, the state devolves authority for managing “spillover” wildlife to an executive body that has the power to issue hunting permits and collect subsequent revenue. The executive body includes a representative from each community in the CREMA, and is guided by a CREMA Constitution that directs management activities.

Village F1 and several other communities in the area were included in one of Ghana’s first CREMAs; the certificate of devolution for wildlife management was issued by the Forestry Commission in September 2003 (#80 Forestry Commission January 2015). In Village F1, 80% of households surveyed reported that they had been active in the CREMA, and 72% of respondents agreed or strongly agreed that participating in the CREMA “makes a difference in how natural resources are used” by the community. As
such, the Forestry Commission considers it a success: “the CREMA prevents outsiders from entering Ankasa Protected Areas – before that [the communities] thought that the protected area was the property of the Forestry Commission. Now they know that…they may be able to harvest spillover from the protected area on their farms” (#80 Forestry Commission January 2015). The Chairman of the Executive Body cautiously seconded this assessment. He noted, “At the beginning [the CREMA] was very active. We were strongly fighting the people hunting and logging in the forest. We were arresting people trying to enter the forest” (#103 CREMA Chairman February 2015).

Beyond the benefits to Ankasa, villagers also reported that the CREMA helped the communities collectively mobilize against illegal mining interests. One villager relayed, for example, that in early 2014 “expatriates gave machines to [some] Ghanaians to do galamsey. All the [CREMA] communities met and told the chief they did not want gold mining here…[we were] afraid of relocation and the destruction of our lands. [We] wouldn’t know what to do without farming, which brings in money and is a lifestyle [we] know” (Villager February 2015). Despite protest from the communities, the [paramount chief] and the District Assembly DCE allegedly gave permission for mining to begin in the area (this claim could not be confirmed with the Paramount Chief or DCE). According to the CREMA Chairman, this created conflict between the stool and the CREMA, as well as with local government officials. The Chairman noted, “[we] didn’t know if [they] had a license but we didn’t care…[we] will stop [the miners]
whether [they] have a license or not. The machines were here for two-plus months
before being taken away. Wildlife [i.e., the Forestry commission] did not have the
authority [to stop the mining], the CREMA had to face the challenge [of illegal mining].
Without the CREMA, we would have had a problem fighting. It provided institutional
backbone, but also the role of a leader” (#103 February 2015).

Such a vignette illustrates the complex politics occurring on the ground level:
authority for natural resource governance can be invested in and divested from diverse
institutional sources depending on local context. In this instance, traditional authorities
and the DCE, which allied with informal mining interests, were overruled by
community leaders empowered by a state-sponsored community governance initiative
because the community felt informal mining was against its long-term interests.
Interestingly, the formal state apparatus reportedly played a minimal role throughout
this dispute, despite the state’s significant interest in protecting Ankasa from illegal
mining activities. According to survey respondents, the lackluster response of the
Forestry Commission reflects a more comprehensive unwillingness on the part of the
state to support community governance initiatives. In Village F1, for example,
households perceived the CREMA as declining in importance over time, despite its
usefulness in repelling illegal mining groups, because of a lack of financial and technical
support from state institutions. One villager argued, the “CREMA was formed to help
protect the wildlife in the forest reserve. The trees were also to be protected with the
help of the communities to help avoid extinction. We were to arrest or report illegal activities. People stopped [participating in the CREMA] because they felt they were not benefiting from their participation. [More specifically], they feel they were not benefiting from their proximity to the reserve...so why should they bother protecting [resources] through the CREMA? The Game and Wildlife people get paid but we are not rewarded for helping them perform their duties, that is why the group could not stand” (February 2015). The Chairman agreed that “all these activities need money and support. There is no money coming in – everyone is supposed to pay monthly dues but this [rule] didn’t even last a year. They will come to the meetings but not pay dues. The CREMA does not have any money at all – so if [the Chairman] calls a meeting, [people] have to use their own means to get there” (February 2015).

The contrasting perspectives on the CREMA – that it was useful as a means of community mobilization but ultimately unhelpful in directing protected area benefits to local communities – reveal a good deal about how noninterference communities interact with the state. Residents largely viewed the state as peripheral to local issues: communities are left to manage their natural resources by navigating local governance networks without significant support from the state. The CREMA ultimately proved an apt institution for community mobilization because it built on existing and complementary foundations of local authority (Rodrik 2008; Scott 1998). However, it failed to move beyond an organizational capacity and provide livelihood benefits
because the state was unable to sustain its supporting role in the CREMA. A Forestry Official explained that a number of agencies attempted to implement “alternative livelihood activities – the Forest Research Institute Ghana started beekeeping and trained women in soap making. For fish farming, we provided a few bags of feed and then the community was supposed to keep it going. However, once [we] stopped [providing resources] – everything died” (February 2015). As the initiative floundered, the communities gradually reverted to prior modes of natural resource management.

One villager noted:

[The state and an NGO] provided us with fertilizers and [loans] in the first year, and we were to repay the loan [so that] the money [could] be given to someone else. Some people were given the opportunity to learn how to fish farm, keep bees for honey, and many more [livelihood activities], but those activities couldn’t work although capital was given to them to work. CREMA is not functioning now because of the funding issues. Those who did not receive the loans feel they have been cheated so they refuse to attend meetings. The officials from Ankasa came to discuss plans of reviving the CREMA about 6 months ago. By law, although the farmlands outside the reserve are stool lands, it was expected that a permit was required from the CREMA executives before one could [harvest resources] on their farm. That rule didn’t work because the CREMA failed to stand (February 2015).

6.2.1.2 Village G1

Unlike Village F1, Village G1 is a farming community that allowed illegal mining operations to take place in order to generate revenue for traditional authorities and village households. Although artisanal mining activities have caused low-level conflicts within the village, state enforcement units have disturbed local miners only once
because, according to those miners currently operating, “we do not interfere with the forests or with the big companies” (January 2015). About 16 of the 28 respondents surveyed reported participating in galamsey activities in the past and/or present, and an additional five households noted that someone in the household was involved in galamsey either in Village G1 or elsewhere. While the research team was working in the village, only 2-3 dredging machines were active in the river; however, respondents noted that in the previous year – during the “galamsey boom time” – the village had supported up to 570 working machines. Once the amount of gold these groups could produce began to diminish, however, most packed up and “moved on to Cote D’Ivoire or Elubo by the Tano River” (Miner, January 2015).

Most of these respondents noted that revenue from illegal mining was “important or very important” to household income. One village respondent noted that if the state really enforced its anti-galamsey policy, “it would be a problem because there are no jobs – [already] with the number of galamsey decreasing [from previous levels] a lot of people have moved away or tried to work as farm laborers. But few [farmers] can afford laborers – so it becomes more difficult” (January 2015). A galamsey machine owner indicated that in a good month, a team could obtain 1000 blades of gold with one blade selling for about $15.3. The owner of the machine received two-thirds of the revenue while the remaining one-third was distributed among the workers.

Additionally, the owner paid each worker about $3.5 per day in per diem for food and
additional expenses. However, most miners noted that galamsey income fluctuated substantially depending on “luck” (January 2015).

The Village Chief argued in an interview that he was in the right to allow illegal mining in his community because the state had abdicated its responsibility to promote development in villages like G1, contending that politicians will do whatever they need to get votes and then forget about the people once in power. The chief argued, “we plant trees and suffer while the Parliamentarians do nothing but secure loans from the IMF to improve their lives. Then they keep soliciting for our votes but look at [the state of] our road networks. They sit at the radio stations and they don’t remember villages like Village G1” (Chief, November, 2014). When asked whether the chief had thus allowed villagers to begin mining “on their own” (i.e., without permission from the state), the chief responded that “[God provides minerals for his people to mine]. It is the local galamsey people that mine it. Even with that, it is surface mining because the real minerals are deep underneath…so there is no way we can access that” (November 2014). Another village elder concurred, arguing that land owners “do not need permission [from the state] because the land belongs to [them]” (January 2015). As such, he allows “one person to mine for minerals on the coconut farm” and charges about $260 to work 0.25 acres.

Illegal mining in Village G1 proceeded under the supervision of a Village Committee that collected revenue each week from each galamsey group. A galamsey
operator stated that the Committee charged $12 per week per machine working on the river, and the revenue was divided into three parts (January 2015). The Village Chief received one payment, the heads of the land-owning families received another, and the third portion went to the locally elected Unit Committee (a part of the decentralized local government system) for community development purposes (January 2015). The community development fund, however, became the source of an ongoing dispute between village elders and the village youth group. The fund manager, the owner of the local pharmacy, had been unable to produce bank receipts documenting how much the community had generated from galamsey activities, and had been accused by the youth group of stealing from the fund. One galamsey operator argued that the “community doubts [the amount reported by the pharmacy owner] is the the actual amount and [we think] he siphoned off of the top” (January 2015). Another youth stated, “[the shop owner] can’t or won’t produce [the money] from the “bank” – so we youth feel that the chief is probably collaborating [with him] because the man didn’t take the money without paying off the elders. Therefore, the youth have stopped performing community services” (January 2015).

The controversy over the development fund was amplified by households complaining that the dredging in the “big river” was polluting waterways. About 54% of the households surveyed argued that the galamsey had contributed to water pollution in the “big river” (whereas the small river was used for drinking water and protected
from mining activities), and that this had created significant tension within the community. The galamsey operator, however, deflected such criticism, noting that “no one complains – the river is already polluted [by the galamsey] coming from Tarkwa. No one works [in the small river] because that is drinking and fishing water, we diverted the big river to work and no one complains about pollution” (January 2015).

Community tension over illegal mining, however, has been primarily addressed by community leaders. A galamsey operator noted, “when there are disputes, the committee sends [them] to the palace to be resolved. The Chief and the leaders of the community resolve them” (January 2015). Additionally, despite the large number of machines working at the village, the regional task force from Takoradi visited only once. “[The taskforce] arrested one person and fined them $705…somehow they found out about the operation” (Galamsey operator, January 2015). Otherwise, illegal miners face interference only from a local rubber company that occasionally sends security personnel to stop the mining. A miner stated, “they do not seize the machines but only [try to stop] the work. Community leaders can speak to them. There were disputes over ownership of the area – [the company] thought the land was theirs and called their security to force miners off of the land” (January 2015).

6.2.1.3 Summary: Noninterference Communities

Overall, Villages F1 and G1 have been left to their own local governance networks to manage their natural resources. In both these communities, competition for
extractive resource access is low between local networks, and where competition does occur (as it did in Village F1) it is addressed and resolved by existing institutional arrangements. In addition, there appears to be negligible interest by the state to consolidate authority since neither community occupies an area of strategic interest in that extractive activities do not significantly impact state resources or interfere with the operations of multinational corporations. It would appear then that the state has little incentive to spend resources enforcing the rules in these communities. Rather, the state may see it as costlier to infringe on local governance arrangements – especially where traditional authorities or local government officials seek to enhance their status or income through informal undertakings. As a result, these communities have not experienced a substantial amount of conflict and the expectation is that conflict is not a likely outcome. Where communities have experienced tension over resource extraction, local institutional frameworks have been sufficient to prevent larger-scale conflict from occurring.

6.2.2 Interdependent Communities: M3 and M4

In contrast to Villages F1 and G1, Villages M3 and M4 are situated within an area of strategic interest to the state in the Brong-Ahafo Region of Ghana. Both of these primarily agricultural communities lie within the Newmont Ghana Gold Ltd. catchment, which constitutes one of Ghana’s largest active gold concessions. As such, the state has supported efforts – primarily by Newmont itself – to enforce anti-galamsey policies. In
this sense, the state has relied on Newmont’s financial and technical resources to help it assert its authority more forcefully over extractive resources. This suggests, ultimately, that external actors like Newmont may help shift state-society incentive structures to increase enforcement activities. In addition to state dependence on Newmont, local catchment communities have come to similarly view the company as critical in terms of providing public goods and services.

Newmont’s financial and technical resources have made it a strategically important partner to both the state and local communities. However, what makes the Newmont catchment different from other large-scale mining companies that also pay royalties and engage in corporate social responsibility is the fact that competition for extractive resources from surrounding communities remains relatively low. To be clear, galamsey activities do occur around the Newmont Ahafo Mine; however, it is not community based because, like Village F1, many of the local communities do not see galamsey as a traditional part of their livelihoods and the chiefs have taken an active role in prohibiting galamsey. Respondents from the 49 households surveyed in M3 and M4, for example, reported that neither they nor anyone in their household participated in galamsey. When asked why galamsey was not as much of an issue for these communities, a number of respondents in M4 suggested that it was because the chiefs had forbidden galamsey around the village. This situation stands in contrast to Newmont’s Golden Ridge concession in Akyem in the Eastern Region where galamsey
activities by local communities have sparked significant local conflict (Banchirigah 2008). Ultimately, this section demonstrates that an important reason why interdependent communities perceive lower conflict risk is because they occur in strategically important areas but also face low overall competition.

6.2.2.1 Competition in the Newmont Concession

In Village M3, a chieftaincy dispute provided an opportunity for galamsey “frontrunners” from outside the village to gain a foothold in the community. According to a Village Elder, the outgoing chief gave permission to a number of galamsey groups to begin working on the outskirts of the community. These groups worked for about 3-5 months before the incoming chief, who opposed galamsey in the community, took measures to stop the operations. The Villager Elder noted:

...[the galamsey] found a way around [the chief] and took [i.e., purchased or rented] land from individual land owners. The Chiefs talked to the land owners [and told them] to stop selling their land – [the landowners] agreed to stop selling the land but the galamsey continued to work. That prompted chiefs to contact Newmont. Brong-Ahafo is not like other regions where galamsey is a traditional livelihood. [Individuals] fear the destruction of our land and the loss of farming [capabilities]. [Communities] will gain [more] from farming rather than galamsey. But if Newmont [is doing the mining in the community], we will be adequately compensated for lost farmland. [The presence of] Newmont was a factor [in reporting galamsey activities] – but if Newmont was not here [the community] would still not want galamsey. So [our community] would not have agreed to galamsey [activities] even if Newmont was not present (Villager Elder March 2015).
The chief from Village M4 concurred with this assessment, noting that “no one can start [galamsey] without the chief’s consent. The chieftaincy dispute in M3 made it easy for the galamsey to gain a foothold. [In M4], if [the chief] doesn’t give consent then it can’t be done” (M4 Chief March 2015). Such statements highlight the continuing importance of local institutions in managing natural resources even in large-scale concession areas.

The incoming traditional authorities reported the galamsey operators to Newmont, the police commander, and the Regional Minister. In response, the task force, financed primarily by Newmont, swept the area to dislodge the miners and used “bulldozers to cover the galamsey pits” (Village Elder March 2015). A Newmont Official remarked that with regards to galamsey, “[communities] may call the police, but [they also] report directly to Newmont. We work with them and the police. [There is] no regulatory action to manage galamsey. Even if we take [the issue] to the police or the District Assembly they are a bit shy…so we have to push and push, and they might do a raid” (Newmont March 2015). Another Newmont official observed that “galamsey is growing. In the past, it didn’t bother us too much. In the last six months [however], they are getting closer and closer. Occasionally, we find miners right next to open pits. Newmont reports [the activity] to the police – and they are doing their best at the surface level to counteract [illegal mining]. Most activities by the police have to be counter funded by Newmont. [Newmont] believes that the [galamsey problem] can mature to be
like the problem in the Western Region” (Newmont March 2015, emphasis added). A third Newmont official commented, “in terms of the government task force, we’ve heard the fanfare but we have not seen an impact” (Newmont March 2015).

These conversations with individuals in the Newmont catchment area reveal that, while the state will engage with galamsey to protect large-scale concessions, it tends to do so reluctantly and only with the financial assistance of the mining companies themselves. Newmont officials noted that they have engaged the Ghanaian Military through the Chamber of Mines MOU to enforce anti-galamsey policies. An official remarked, “[Newmont] is paying the Chamber of Mines for military personnel – [we will have] 5-15 people to patrol [the concession]. It will help with the galamsey problems because these soldiers will be circulating so there will not be a lot of time to create relationships [will illegal miners]” (Newmont March 2015). In essence, the state has handed partial control for enforcement to private actors in that it will respond only when properly incentivized. This suggests that the presence of external actors, like large-scale mining companies, shifts state-society incentives in ways that encourage the state to take action – even reluctant action – where it might otherwise have not.

Additionally, much of the monitoring and reporting of galamsey activity continues to take place within local community networks. A Village Elder in M3 noted that “farmers in the area will [constantly] monitor and report [to traditional authorities] if they see any [new galamsey] activity” (March 2015). This suggests that a defining
feature of interdependent communities is that village-level institutions may be just as potent as state-level institutions in enforcing formal natural resource rules. In other words, community sentiments toward galamsey are an important factor in enforcement – and communities that are less invested in galamsey as a primary livelihood activity will seek to implement enforcement measures more forcefully.

6.2.2.2 Strategic Importance of the Newmont Concession

The state’s position regarding Newmont, which allows a private entity to assume substantial enforcement capabilities, is likely due to the fact that company is one of the largest corporate tax payers in Ghana. In 2013 and 2014, Newmont paid an estimated $84,412,677 in corporate taxes (GhEITI 2014a, 2015). The next largest company, Gold Fields Ghana, paid only about 54% of this amount in the same period. Such income makes up a substantial proportion of government revenue – in 2011, 2012, and 2013, mining companies in Ghana contributed 28.35%, 27.04%, and 18.78% respectively to state coffers even as the mining sector contributed only about 1.7%, 2%, and 1.8% respectively to total GDP (Minerals Commission November 2014). The state thus remains dependent on private actors like Newmont to support its annual budget (Table 8).

In addition to corporate taxes, mining companies like Newmont provide royalty payments to the state (Table 8). Between 2012-2014, Newmont contributed $33,634,857 in royalties of which 20% was (theoretically) channeled back to the communities primarily
affected by the mining operations. Of this 20%, 10% is directed to a Mineral Development Fund while 10% is funneled through the Office of the Administrator of Stool Lands (OASL) to be disbursed to traditional authorities (20%), stools (25%), and the District Assemblies (55%). While traditional authorities, communities, and district assemblies question the extent to which this money is reliably released from the OASL, GhEITI Reports suggest that the revenue is being disbursed at the subnational level (GhEITI 2015). However, whether and how this revenue ultimately reaches the communities most affected by mining activities is undetermined. In addition to royalty payments, Newmont established the Newmont Ahafo Development Foundation (NADeF) in 2008 as a form of corporate social responsibility to channel resources back to its catchment communities. Newmont contributes $1 per ounce of gold produced and 1% of net profit from the Ahafo Mine to the Foundation, which is managed by a Social Responsibility Forum and a Board of Trustees that oversees funding proposals submitted by Sustainable Development Committees representing each of the participating communities.
### Table 8: Government revenue (in USD) from all large mining corporations from 2009-2014

<table>
<thead>
<tr>
<th>Year</th>
<th>Corporate Tax</th>
<th>Royalty Payments</th>
<th>Total Mining Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>29,028,667*</td>
<td>20,906,110*</td>
<td>92,618,630*</td>
</tr>
<tr>
<td>2010</td>
<td>56,074,734*</td>
<td>33,457,152*</td>
<td>69,129,224*</td>
</tr>
<tr>
<td>2011</td>
<td>150,380,725*</td>
<td>51,336,908*</td>
<td>176,300,017*</td>
</tr>
<tr>
<td>2012</td>
<td>206,659,815*</td>
<td>83,099,391*</td>
<td>257,417,472†</td>
</tr>
<tr>
<td>2013</td>
<td>119,898,864*</td>
<td>84,320,283*</td>
<td>191,551,087†</td>
</tr>
<tr>
<td>2014</td>
<td>108,433,425†</td>
<td>107,460,273†</td>
<td>224,768,864†</td>
</tr>
</tbody>
</table>

*Figures taken directly from an interview with the Ghana Revenue Service on May 5, 2015. Note: For 2009, the Ghana EITI reports that Ghana received $4,046,639 in corporate tax and $22,340,214 in royalty payments (GhEITI 2009). The Final Report on the Aggregation/Reconciliation of Mining Sector Payments and Receipts for 2010-2011 reports that the total corporate tax received by the GoG in 2010 and 2011 was $28,960,444 and $115,570,513 respectively (MoF 2013). For royalty payments, the report states that the GoG received $34,788,193 in 2010 and $50,441,307 in 2011 (MoF 2013).

† Figure taken from GhEITI (GhEITI 2014a)

‡ Figure taken from GhEITI (GhEITI 2015)

Evidence from the household surveys and interviews suggest that communities, like the state, perceive Newmont to be critical for local development and service provision. Unlike in other survey communities bordering large-scale concessions, few households had anything negative to say about living in proximity to Newmont. Indeed, 71% of the households surveyed in both M3 and M4 indicated that they believed Newmont’s corporate social responsibility (CSR) programs “met or nearly met” their expectations. In contrast, 24% responded that they were unsatisfied and only 4% reported not knowing about the CSR projects. When comparing household CSR...
satisfaction levels in Village M3 and M4 to other mining-adjacent communities,

Newmont communities were significantly more satisfied with the CSR provided (Chi²= 48.6, p<0.001). A Village Elder in M3 said that the Sustainable Development Committee for NADeF “sits down to prioritize development needs every year. [In M3], NADeF has funded boreholes and a public park, and allocated revenue for chiefs as well” (March 2015). The M4 Chief noted that NADeF had provided a school bus, a dormitory at the local school, two boreholes, primary school buildings, and student scholarships. A villager in M4 remarked that the “benefits provided meet our expectations because we would not have gotten this if we were waiting on the government” (M4 March 2015). Another concurred that “[Newmont is] doing us good. They consult us, update [us], inform [us], and support this community far better than the government and the leaders” (M4 March 2015).

Such community sentiments reflect the idea that large companies like Newmont come to serve as “quasi-governments” for surrounding villages. A Gold Fields officer explained, “communities expect more from CSR than from the government [because] all resources go to the center but do not come back. There is so much poverty and marginalization that Gold Fields becomes a quasi-government because the state has failed to provide services. [We are] trying to make people understand that the company is not government and to realize that the company is giving its due – [it] needs a social license to operate that that is part of [providing goods and services]” (Gold Fields
February 2015). Based on the evidence from these communities, it appears Newmont is playing the role of both service provider and regulator better than most other large-scale companies (Armah et al. 2014). The M4 Chief observed that “looking at [NADeF] and other agreements with Newmont, I am happy it is them [working in M4]. Newmont is a model – people come to see how it should be done…especially when compared to the Obuasi situation with AngloGold Ashanti” (M4 March 2015). Respondents particularly appreciated Newmont’s approach to local employment (Newmont March 2015). Nearly 94% of all households surveyed agreed or strongly agreed with the statement: “large-scale multinational companies involved in mining provide employment opportunities for communities,” with the remaining 6% of households responding that they were unsure of the statement (as opposed to disagreeing with the statement). This is significantly more positive response rate than for the other four mining-adjacent communities (Chi2=34.6, p<0.000). A Newmont official explained, “the youth are a very powerful voice. Farming is still a strong, lucrative business…but many youth do now want to do it. [Newmont is] looking [to develop] local people for the long term…it started an apprentice program (a four-year program with 60-80 people) to train operators. [People trained by Newmont] are better than transfers from other companies. They work through quickly to supervisory levels” (Newmont March 2015).

In addition to its providing goods and services, Newmont has assumed a consultative “regulatory” role to keep communities informed which has been useful in
keeping community relations positive. When asked if Newmont is required to undertake EIAs frequently, the Village Elder from M3 noted that “if Newmont wants to do anything, they generally call community gatherings. The last one was 12 November 2014 – but none of the [state] regulators came. It was simply Newmont’s initiative” (March 2015). Several people we talked to in the villages noted that they had attended “Newmont Forums,” with one explaining that “it was about environment and safety, and how they would do their underground mining. [I] attended more than six times” (M4 Villager March 2015). This was in contrast to formal EPA Forums in which only five respondents in the survey participated. A respondent from M3 noted, “most open forums are attended by people who are close to the royal family and chief since they stand a better chance of benefitting in terms of job opportunities and others” (M3 March 2015). Further, Newmont has shown a willingness to review its policies and program, and make changes when appropriate. Based on an audit by the International Finance Corporation, Newmont revamped its resettlement program to improve livelihood restoration standards. Under the new policy, Newmont helps relocated farmers subsidize the cost of acquiring new land and further supports cultivation for three years after resettlement (M4 Chief March 2015). These changes have helped lower competition for land resources between the company and farmers, and have improved community relations. The M4 Chief observed: “[we] used to be nervous when the old resettlement policy was in place, but now with the new policy [we] are not as worried. Initially, the
principle was to take land and compensate for crops only. It was a problem and people used to complain. Now it has changed. Even fallow lands are compensated. Now people are not complaining” (M4 March 2015).

Despite the support encountered for Newmont during interviews and surveys, it remains important to question whether communities approved of Newmont because the company is excelling in providing community “development” or because it is simply better than the government, which is perceived as providing nothing. Outside of the Ahafo concession area, Newmont maintains a poor reputation with Ghana’s leading mining NGO which sees it as taking advantage of local communities for profit (WACAM April 2015). The M4 Chief noted that “royalties are not forthcoming from government for the last three years. [We have] asked Newmont to release funds directly to the stool. If it had not been for NADeF, things would be bad” (March 2015). The Chief continued “[however], we cannot protest [issues or problems] because the NADeF funds are dependent on Newmont production. If [we] protest Newmont, [we] ultimately get less funding to work with. So, our hands are pretty tied when it comes to addressing [issues]” (M4 Chief March 2015). In a sense, then, communities feel that their development is inherently tied to Newmont’s ability to extract mineral resources, and to disrupt Newmont’s ability to operate would ultimately undermine their own opportunities for “development” benefits.
Newmont has also tried to reinforce the position of chiefs in society by recognizing and prioritizing their position vis-à-vis community forums and NADeF. Newmont’s External Relations official explained that mining companies are “displacing and eroding the power of the chiefs – they are not seen as the benefactors and dispersers of wealth. Chiefs believe they should be direct beneficiaries [of development benefits] and that they should not be competing with subjects…Chiefs are treated as public officials and they don’t understand it or like it. People can become divorced from cultural systems without punishment. Thus, [Newmont] needed to put them somewhere they do not lose favor” (#113 March 2015). Newmont has thus placed chiefs in prominent positions in NADeF’s Social Responsibility Forum and invites chiefs to attend a quarterly forum to consult on community matters. They also created a funding category within the NADeF for “cultural heritage” in which chiefs can be awarded money to “build the prestige of the traditional authorities” (#113 March 2015). Such a strategy, however, can be interpreted as a mechanism by which to empower local institutions that help ward off illegal mining activities. In keeping the traditional authorities bound to Newmont, the company fosters good relations with authoritative figures who are in a position to help enforce formal extractive rules. Indeed, survey results show that Villages M3 and M4 are statistically more likely to be confident that their chiefs use royalties from resource extraction in a way that benefits the community than other mining-adjacent villages (Chi2= 14.3, p<0.001).
6.2.2.3 Summary: Interdependent Communities

In the regression analysis, households in the interdependent communities perceived conflict risk to be lower than households in non-interference communities, although the outcome was not significant. This evidence combined with the qualitative data suggest that the presence of large-scale companies – favored as they are by the state – is not always sufficient to produce local conflict over extractive resources. Rather, the state and local communities have come to depend on the financial and technical benefits Newmont provides. Such interdependence, combined with low levels of competition over natural resources like minerals and land, has likely reduced the perceived risk of conflict both between communities and Newmont, as well as between the local communities themselves. This is not to suggest there is no conflict. Local communities continue to perceive outsiders who come to do galamsey as a potential threat. A recent op-ed by WACAM, a national mining NGO, argues that illegal mining operations like the ones found near Newmont may herald the rise of “galamsey cartels” – in which mining groups organize “to violently resist any group [including government] that attempts to clamp down on their activities” (Nyabor 2016). The Village Elder in M3 concurred with this assessment arguing that the it was difficult for traditional authorities to verify whether galamsey in the area had reinitiated their activities because these officials perceived it as too dangerous to travel to the sites and make inquiries (March 2015). As such, the monitoring networks established by local farmers have
become particularly critical tool for communities, Newmont, and the state to counteract galamsey activities. Overall, however, the local authorities and communities have not mobilized extensively to engage in galamsey themselves, which has reduced competition with Newmont.

The state – supported by Newmont – has committed its own limited resources to defend the Newmont concession, however reluctantly. This suggests that the presence of the mining company has changed incentives between state and society, and encouraged the state to formally enforce its rules in a context where it may otherwise not have the political will or capacity. In essence, the financial and technical resources provided by Newmont have assisted the state in assuming more of a role of a typical Weberian state in the sense that it “(successfully) claims the monopoly of the legitimate use of physical force within a given territory” (Weber 1965: 1). As a result, interdependent communities appear to perceive less conflict than other mining-adjacent communities.

6.2.3 Selective Interference Communities: G2 and G5

Unlike interdependent communities where the state and surrounding villages have a strategic interest in enforcing formal extractive rules, state enforcement in selective interference communities depends substantially on context. In contrast, competition for resource access and benefits tends to be high both between formal and informal actors (i.e., the state and illegal miners) and between informal actors themselves. High levels of competition combined with uneven enforcement ultimately
results in higher levels of conflict within these communities. This subsection examines two cases studies to illustrate this point. The first, Village G2, is primarily a cocoa producing community. However, many households participate in galamsey operations in the adjacent forest reserve and in a community just opposite the forest reserve (see Introduction). The second, Village G5, is primarily a galamsey community in which both foreign (i.e., Chinese) and domestic illegal miners are active. These miners operate within the boundaries of a forest reserve bordering the community and in a large expanse of land just outside the forest border. Both communities have seen significantly greater efforts by the state to enforce extractive policies within the boundaries of the forest reserve, over which it is perceived to have greater authority. Outside the boundaries of the forest reserve, however, enforcement by state and regional taskforces tends to be highly variable, and the rules unevenly applied.

6.2.3.1 Village G2

About 29% of the households surveyed in Village G2 reported participating in galamsey activities. Six respondents indicated they had engaged in galamsey activities in the past or present and one additional household reported that at least one of their residents was a full time illegal miner. Illegal miners had the option of traveling to one of two sites in the area to work. The first, as detailed in the introductory chapter, was located within the borders of the forest reserve adjacent to the community. The second was located in a community two hours away by foot on the other side of the forest
reserve, a distance considered “walkable” by many community households. The forest site had been raided by the Forestry Commission’s local Rapid Response Unit (RRU) numerous times; indeed, the unit came through while the research team was conducting work in Village G2. The RRU – an armed military team charged with “flushing out” illegal actors in Ghana’s forest reserves – possesses the power to seize and confiscate machinery, make arrests, and use necessary force to stop individuals from engaging in illegal mining or forestry activities. The community site, however, was rarely disturbed despite being on the boundary of the forest reserve and about 10 minutes walking distance from the forest site.

Residents of Village G2 perceived a significant difference between the legitimacy of mining activities inside the forest reserve versus outside the forest reserve. As the logistic regression reflects, forests are viewed more as being under “state control” and, although individuals do use forest resources, communities understand that undertaking these activities without a state-sanctioned permit is considered “illegal.” As such, traditional authorities have less control over what occurs in forest areas (Armah et al. 2014). The Chief in Village F2, for example, argued that “when I say: ‘Don’t do this in the forest’…people ask, ‘are you the one who owns the forest?’ People do what they want and I have little control – this used to not be the case. [Now] Nana [i.e., the chief] is not the owner of the forest and doesn’t have a stake” (#110 March 2015). An illegal miner in the forest site near Village G2 similarly noted that the miners do not pay royalties to
traditional authorities because “the land is in the forest reserve,” and the forest reserve
galamsey are not under the protection of the chief (Galamsey February 2015). These
sentiments demonstrate the extent to which governance authority over different types of
resources in Ghana has been fragmented (Armah et al. 2014). In particular, the state has
succeeded in limiting the rights of communities and traditional authorities to forest
resources. This has resulted in a highly conflictual relationship between communities
and the state as households in forest edge communities come into greater contact with
state enforcement units in their attempts to access forest resources.

In contrast, the community galamsey site is viewed as being under the protection
of the Stool Land chief and thus more legal – especially when compared to the activities
in the forest site. The Village G2 Odikro (the village caretaker) noted that galamsey
“make payments to the stool. When people go for a parcel of land, the chief [is the one]
to sell it. If the mining taskforce comes – if the land had been legally purchased from the
chief – then they can’t be sacked [i.e., removed]. [The community site] is a legal
concession because [the galamsey] purchased the land from the chief” (#106 February
2015). The Odikro’s perspective underscores the authority that traditional authorities
retain for managing land and natural resources, and provides invaluable insight into the
fact that galamsey in Ghana perceive that informal mining can occur at various stages of
legality (Van Bockstael 2014). Miners under the protection of traditional authorities or
local government officials, especially if they pay informal taxes or forge informal
agreements, are viewed as having greater legitimacy than miners without such protection. A villager who had worked the community site argued, for example, that they “never got attacked by the soldiers since the land belonged to individuals who had sold it to the operators. The Unit Committee of the community collected money from the mines every week” (G2 February 2015). Another respondent who worked at the community site noted that in contrast to the community, the RRU from the Forestry Commission always comes to stop the galamsey work in the forest” (G2 February 2015).

As described in the introduction, RRU sweeps are distressing and can result in large financial losses for miners or injury. Most people living near forest reserves described the RRU as incorruptible making it difficult for miners to negotiate their way out of trouble. However, there was disagreement in the village about the extent to which the Forest Guards living in the community, who are supposed to alert the RRU to illegal activity, abet the forest galamsey. The Odikro argued:

There is a lot of galamsey in the forest reserve...the forest is totally destroyed. When the military men [RRU] are coming they call the forest guards and the forest guards inform the galamsey not to show up in exchange for money. Chiefs have done their best but the youth does not feel obligated to chiefs. If the galamsey are caught in the forest they are gone [i.e., jailed] for about two weeks and then they are back. So there are no real consequences for illegal activity anyway. Probably the worst part of getting caught is the fines you will have to pay” (#106 February 2015).

The guides who escorted the research team to the forest site confirmed that the forest galamsey pay village Forest Guards anywhere from $45-70 to keep quiet about
their activities, and that the Guards inform the galamsey when the RRU is coming so they can avoid the site (Galamsey February 2015). However, the leaders of the site denied this claim arguing that they rely on other galamsey not working at the site to inform them of RRU activities. Indeed, it was a machine owner who notified the galamsey of the RRU’s arrival the day we were working at the site. Whether the forest miners received help or not from Forest Guards, most people agreed that to help the forest galamsey was a “corrupt” act rather than an informal act that conferred legitimacy. However, to betray the forest galamsey to state actors ultimately came with consequences. After the RRU had swept through the forest site on the day we visited, the miners who had returned to G2 stated that it had been a Forest Guard from the neighboring village that had alerted the unit to their work. One research assistant, after speaking with people in the assembled crowd, noted that the Guard should be worried about his safety – the miners seemed intent on attacking him in retribution for his transgression.

Evidence from Village G2 suggests that, outside of forest reserves, the question about who has authority to grant access to natural resources like minerals remains unresolved. This fact contradicts ongoing discourse around formal versus informal mining, which the state and private companies perceive as a strict dichotomy. For example, in a small-scale mining forum with AngloGold Ashanti in Obuasi, a mining company representative argued, “I hope you are aware of the fact that illegal mining is
illegal mining. Be it rock mining or alluvial mining, they are all illegal if they are not formalized” (Obuasi Forum December 2014). However, the state’s use of selective enforcement to target only galamsey operations in competition with its strategic interests – as seen in the case of G2 – reinforces the idea that formality exists on a spectrum rather than as a dichotomy. In other words, the state appears unwilling to invest resources to enforce its authority on lands of low strategic interest, and where it might challenge the traditional power of the chieftaincy system (Boone 2003; Weber 1954). Ultimately, this suggests that conflict is much more likely within forest reserves, where informal miners compete with the state for access to resources.

6.2.3.2 Village G5

Patterns of selective enforcement, as well as the role of local and national state officials and traditional elites in perpetuating the informal economy, were most evident in Village G5. Primarily a galamsey village, about 72% of surveyed households in G5 participated in galamsey. In about 62% of those households, respondents indicated that more than one person in the household engaged in galamsey. Around 83% of respondents revealed that revenue from illegal mining was important or very important to household income. In addition to the galamsey, there was also a contingent of Chinese illegal miners that had been working in the vicinity of Village G5 for several years. Indeed, while I was working in Village G5 the children would run after me
shouting “China” rather than “Obruni” – the term normally used to describe a white foreigner – given their familiarity with the Chinese.

These miners engaged primarily in three types of illegal mining. The galamsey, doing both artisanal surface and underground mining, worked both in the forest reserve adjacent to G5 and in a large expanse of land just outside of the forest boundary. The Chinese primarily engaged in medium-scale mining outside the forest reserve, in which they used large excavators to conduct surface mining. Many households followed the Chinese operations to “scavenge” the gold that remained after the machines had passed through. Finally, we also encountered a contingent of Ghanaian small-scale miners – likely financed by domestic elites – using large equipment to engage in surface mining, but who had attempted to convince their laborers that they were indeed working a formal concession. We visited the small-scale site intending to ask about the process for obtaining a small-scale license, and had to leave quickly after a hostile conversation with the site owner revealed that his operation had not been formalized. The culmination of these mining efforts meant that much of the land and vegetation surrounding G5 had been devastated.

According to the Chief of Village G5, the galamsey activity in the forest reserve reached its peak in 2009 when the RRU finally swept through to dislodge the miners.19

19 The Village Chief argued that galamsey began between 2004-2005 during the course of a chieftaincy dispute with the Divisional Stool Chief. The Village Chief contacted the Minerals and Land Commission to
After the initial sweep, the RRU created a boundary line between the village and the forest using the natural course of an adjacent river. The community understood this to mean that the RRU would not pursue them as long as they were on the “right” side of the boundary. The enforcement measures appeared instructive for the community: 92% of surveyed households reported knowing about the role of the Forestry Commission in natural resource governance versus 16% and 32% of households reporting knowing anything about the EPA and the Minerals Commission respectively. Similarly, about 84% of households reported that the Forest Commission continues to be active in the community versus 16% and 12% of households reporting the same of the Minerals Commission and EPA. Despite the threat of the RRU, however, we witnessed a number of miners still actively operating just inside the forest reserve. Although their numbers are reportedly lower than they used to be, the RRU has not been entirely effective at persuading galamsey to stay out of the forest. As in Village G2, local miners argued that it is a critical livelihood opportunity and therefore worth the risk to their security.

Inquire about the legitimacy of white expatriates that had begun to prospect for gold on nearby cocoa farms after a number of households complained that the prospectors had started digging trenches on their land. In fact, the prospectors had allegedly acquired permission from the Divisional Stool Chief rather than the state, and the Village Chief’s inquiry appeared to the Stool Chief as a direct challenge to his authority. This act of defiance created enmity between the two leaders, which resulted in the Stool Chief encouraging the RRU to arrest the Village Chief for authorizing the work in the forest reserve despite his protestations that he had played no part in it. The dispute ultimately had to be resolved in court after the Chief Inspector at Bibiani told the Village Chief that the charges against him would only be dropped if he destooled himself. This backstory reveals the intense local-level politics that can ultimately influence broader natural resource policy.
In addition to the RRU, a number of households also reported coming into contact with “real soldiers” from the government in the area outside the forest reserve (most likely the regional taskforce). The scale of the mining activities around Village G5 and the fact that it is situated within a prospective AngloGold Ashanti concession is likely what brought the taskforce in to enforce; however, unlike the RRU, miners posit that the taskforce is easier to bribe to avoid the impacts of enforcement. One miner, who worked on the river, stated that “soldiers come to worry our work every week [but] I get about $23 per week in the slow season with the water level low. During the June-September season, I get about $93 per week. An old woman who claims to be the land owner takes $5 every day the team works” (G5 March 2015). Another noted that he used his status as an Ewe to obtain favors from Ewe soldiers in the taskforce – they would often call or text to alert him and other Ewes in G5 when the taskforce would be moving through the area (G5 March 2015). Yet another villager argued that “the soldiers from Bibiani have made about $23,000 from the galamsey in the area,” as they are willing to take bribes in exchange for not enforcing the law (G5 March 2015). Bribing taskforce members is a well-recognized and critiqued problem in Ghana: one representative from the Artisanal and Small-Scale Mining – Africa Network told me in an interview that “I can’t say that politicians are directly involved in galamsey but they are all involved somehow…politicians, MPs, security officials. If you [fund] a galamsey mine, you can recover something every week. Police officers say that senior officers are involved in
galamsey. The DCEs and the police commanders are also involved. [A person] goes to report thinking something can be done [about galamsey], and they will go around and hit your face [i.e., people are punished for reporting the activity]” (ASMAN December 2014).

Traditional authorities and local politicians from the District Assembly also allegedly help protect miners from enforcement measures in exchange for revenue. The Village Chief noted:

...for miners working in the land adjacent to the forest reserve, village authorities take $0.50 each week. On the appropriate day, each individual has to cross a barrier and pay the tax, which is used to construct boreholes. [There is] $1200 machine tax for each machine as a tax to benefit the community. It is not paid all at once but over time. [We] created a water reservoir with that revenue. Galamsey also pay tax to the Stool Land Chief. He took $1600 (a one-time payment) from each machine and [in exchange] awarded them plots of land (G5 Chief March 2015).

Similarly, the District Assembly levied its own tax by defining galamsey in the area as “small-scale mining.” The Village Chief and a number of individuals claimed that the District Assembly had forged an agreement in which galamsey groups paid a local tax in exchange for protection from the taskforce. Mining groups allegedly received stickers to place on their machines indicating that they had paid the required tax. When the taskforce swept the area, machine owners with stickers were exempt from being fined and arrested (it should be noted that the research team did not observe the stickers). The Chief complained, “the District Assembly is taxing miners in this
community but [those miners] aren’t seeing the benefits. I don’t know where the money goes – I am planning to go with other chiefs (in neighboring villages) to the DCE to demand an accounting of the money” (G5 March 2015).

These claims support other research that has found anti-galamsey enforcement is often influenced by local politics or the need to generate local revenue (Hirons 2014). As such, enforcement efforts may be viewed as being not only geographically selective in the sense that the state enforces where it is most strategically advantageous but also socially selective in the sense that an array of social factors – especially the ability to pay informal fees, taxes, and bribes to traditional or government officials – may influence which groups feel the full effects of enforcement measures. This was evident from the variety of groups operating around Village G5. For instance, the small-scale group engaged in surface mining appeared to have the backing of powerful regional or national patrons; in our brief exchange the owner claimed that his “license” was “not yet ready” because he was waiting on the Minerals Commission at Asankragua to approve his application but that he had permission to operate anyway (March 2015). When pressed as to why he was allowed to operate while the alleged application was pending, the situation became hostile and we were told to leave. In contrast, an individual who had engaged in artisanal mining argued that the “soldiers kept disturbing our work even for the land I acquired from the individual around the forest [the miner paid $1750 for 1 acre of land]. We always ran away when they came around so they just destroyed
what they could and then left” (March 2015). Another villager who took part in dig and wash galamsey for two years and alluvial galamsey for three years noted that the “dig and wash was on someone’s land and the land owner took board fee each day [but] did not sell the land to the workers. For the alluvial, I was working for my dad who hired the excavator. The police were the ones disturbing the dig and wash operations but the alluvial was disturbed by the soldiers” (February 2015).

The Chinese miners, who began mining in Village G5 around 2010, displayed the greatest capacity to protect themselves from state enforcement units with informal payments. A Village Elder argued:

…the “land here belongs to the [Stool Chief] and the Chinese deal with [him]. [In my opinion], the DCE and the Minerals Commission [are] also getting a cut of the Chinese mining. We can’t check to see if they have a license because they are always armed. They don’t have to check in with the [Village] chief here because they dealt with the external authorities [i.e., the DCE, the big chiefs]. Thus, there is no way to know if they have a license” (G5 March 2015).

In fact, there is no way that the Chinese operations could be licensed because the small-scale mining sector is not open to foreigners. An EPA official argued that “[Chinese] investors are hiding behind indigenous people [although] the law forbids engagement in the sector. Politicians run political interference – they are not committed to fighting it. They find it a lucrative sector and want to see it booming. Politicians are a key driver…they won’t try to stop it on the ground because it is politically risky. Politicians, chiefs, landowners…the people who mater are all involved” (EPA November
2014). As a result, the Chinese face little enforcement pressure on the ground despite the fact that they engage in substantial extractive activities and are heavily armed. The Chinese operations increase competition for productive land, which can create conflict between informal actors. One woman noted that “we follow the Chinese – after they have excavated a pit everyone goes in and scavenges the remaining soil. We have to wait for the Chinese to finish on the site before we go in because they fire warning shots into the air” (G5 March 2015). The Village Chief lamented that he had no idea why the taskforce did not arrest the Chinese but that “some time ago [in December 2014] the immigration police did come and arrest them. [However], they were back working within two days [and] I don’t know what they did to get out of jail” (G5 March 2015).

6.2.3.3 Summary: Selective Enforcement Communities

Households in selective enforcement communities perceived an intermediate risk of conflict as compared to the other typology categories for two reasons. First, competition between actors for extractive access and benefits tends to be high in these communities. As demonstrated in Villages G2 and G5, the question of who retains authority to natural resource access and benefit rights remains unsettled, meaning that both informal and formal actors frequently contend with each other as a result. In Village G2, contests for authority were more likely to occur between informal miners and the state in forest reserves whereas in Village G5, a host of different governance networks – ranging from traditional authorities to local governments – jockeyed for
control of resources on the ground. Competition in forest reserves may be particularly acute because forests are an important source of extractive income for the state but also because of the role forests have come to play in the larger discourse about conservation and development in Ghana. International actors often utilize “forest cover” as an indicator of Ghana’s social and environmental wellbeing – suggesting that forests contribute to Ghana’s image on the global stage. As a result, the state needs to be seen doing everything in its power to protect its forest resources. A Forest Guard in Village G4, for example, explained that his work is more about conservation than preserving timber value (G4 March 2015). Like the multinational mining companies then, the international community may serve as important external actors that help push the Ghanaian state to enforce its authority more stringently.

Despite high competition, state enforcement in these communities depends substantially on context. The state is more likely to enforce in areas that it deems strategically important, and when it does enforce, these measures are likely to be variable in terms of their impact on local communities. In Village G5, for example, a number of social factors were important in determining the extent to which illegal miners might be impacted by enforcement activities – the ability of such groups to make informal payments to traditional and government institutions being a prominent one. In Village G2, on the other hand, the galamsey site situated in the community near the forest reserve was never raided whereas the forest site experienced near constant
enforcement activity. These factors – high competition and variable enforcement – ultimately create sufficient conditions for conflict to occur. In these examples, conflict outcomes ranged from denying certain groups critical access to resources to enforcing rules more stringently for some groups than others to violent confrontation between groups. Overall, the uncertainty around issues of natural resource governance authority combined with high levels of competition for access to these resources and benefits produce a political terrain conducive to social conflict.

6.2.4 Direct Interference Communities: Villages G3 and G4

Households in direct interference communities perceived the greatest conflict risk compared to the other typological categories. This subsection demonstrates that such perceptions are due in large part to the fact that these communities face both high levels of competition for extractive resources and constitute areas of strategic interest in which the state is more likely to attempt to enforce its authority. Direct interference communities are characterized by the presence of strong local governance networks that compete both with each other, with large-scale mining companies, and with the state to access and benefit from mineral resources. These networks employ a variety of instruments to influence state enforcement measures, but depend most directly on the traditional power of chieftaincy institutions. In addition, the two cases presented here demonstrate the extent to which political patrons perpetuate the informal mining economy. In Village G3, especially, it was reportedly common for MPs to “buy” votes by
promising protection from state enforcement units to local galamsey groups. While these powerful local networks have helped tamper the impact of state enforcement activities, the state taskforces, propelled in large part by multinational mining companies operating in adjacent large-scale concessions, have used violence and intimidation to constrain such illegal mining. Confrontations between informal miners, the state, and the companies have created a tense atmosphere on the ground, and many households perceive that violent conflict looms large within their lives.

To illustrate this argument, I draw on two cases both located within the Golden Star Resources concession area. The presence of the Golden Star concession indicates that this is an area of strategic interest for the state (Table 8). In 2013, for example, Golden Star Resources paid an estimated $11,180,452 in corporate taxes and $6,157,365 in mineral royalties (GhEITI 2014a). Indeed, the state has attempted to enforce its authority here more stringently than in any of the other communities surveyed. Village G3 is a primarily galamsey community located at the center of much of the galamsey activities in the area. Village G4, on the other hand, is a primarily agricultural community located on the edge of a forest reserve; however, many individuals participate in galamsey to supplement household incomes. Golden Star is not currently active on the concession but is preparing to initiate mining activities and recently held a Public Consultation in Village G4 to inform communities of its proposed work. Many of the individuals involved in galamsey on the concession used to work for Bogoso Gold
Limited (now a subsidiary of Golden Star), which closed its underground operations in 2002 and subsequently laid off about 2000 workers (Hilson & Yakovleva 2007; Tschakert 2010). The mine closure and the resulting increase in galamsey activities in the area sparked a major conflict between the state, the company, and local communities (Tschakert 2010).

6.2.4.1 Competition and Conflict in the Golden Star Concession

According to the Chief of Village G3, an estimated 3,400 community residents had been employed by the BGL mine and most of these individuals were laid off in 1998 when the mine began to close down.\(^{20}\) As a result, many people in Village G3 engaged in galamsey to generate household income. About 85% of the respondents we surveyed indicated that they had taken part in galamsey at some point in their lives, and 58% reported that someone in the household was currently active in galamsey. The majority of households surveyed indicated that the money generated from galamsey activities was important or very important to household income. About 92% of respondents believed that galamsey was critical for local employment whereas only about 50% said the same of large-scale mining operations. One villager noted of her son, “[he] does underground mining. He has worked for two years and works 5 days per week. Most of the time he does not earn enough and I asked him to stop. However, I don’t earn enough

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\(^{20}\) The chief estimated this number to be about 50% of the community, which is inaccurate, but reflects the perceived importance of the mine closure to the community.
for the household so he goes back to earn additional money” (Interview February 2015). Another noted that “it was about 7 years ago we did dig and wash...this is where [my husband] got the money to start the trading business. This was his plan and reason for doing galamsey. It took 7 years to build capital” (Interview February 2015).

In Village G4, only two of the 24 respondents surveyed reported their primary profession to be galamsey. However, about 58% of households responded that someone in the household was currently active in galamsey. Households in Village G4 appeared to participate in galamsey primarily to supplement income from the farm – about 36% of respondents indicated that galamsey revenue was very important or important to the household whereas 57% responded that it was fairly or somewhat important. One woman noted, “I carry the load at a surface mining site and receive [$2.50] for carrying 35 to 50 pans of load per day. I work 4 days in each week or 16 days a month, giving me [$38]. Soldiers do come around so we run whenever they are coming...they came 2 weeks ago. My primary motive is to obtain capital to start a trading business” (Interview February 2015). Interestingly, galamsey participants in G4 stated that they were only bothered by “soldiers” if they worked on sites near Village G3 – within the Golden Star concession. A number of individuals stated they worked sites on private lands and as a result, were rarely harassed by state enforcement units. For example, one respondent said “[I] have worked at an underground site (in Village G4), at a mechanized surface mining site (Village G4), and an alluvial mining site (near Village G3). Although I earned
[$47] in 2 weeks, the work was very difficult so I stopped. The soldiers used to disturb us when we were doing the alluvial mining [but] no soldiers came to the underground and surface mining sites” (Interview February 2015).

Although most people around Villages G3 and G4 understand that the land on which they work has been formally awarded by the state to Golden Star, they continue to believe that they have the right to work in concert with the company given the high rate of unemployment. One respondent noted that “all galamsey operators are aware the company has taken all the land in the area. They don’t know when they will start, they just know where they will start working when they choose to come” (Interview February 2015). Another interview with galamsey operators on the topic is worth quoting at length:

**Galamsey:** You see, they are giving the lands to the mining companies. But then, those unemployed are far more than those employed. Right now, there are only a few people that do the company work. In this community, we should exceed 20,000 yet we are not [working for] the company’s concession and they don’t like the fact that we are working here. Though we are here, we do not disturb the mining companies, it is a free zone so the government [can]not bother us (Interview November 2014).

**Researcher:** If the government decides to shut down your operation what would you do?

**Galamsey:** Ok, we will agree on its terms on the condition that the mining company will employ us. Only then will we decide to accept the law.

**Researcher:** Looking at the number of [miners], the mining companies cannot employ all of you. So what would you do?

**Galamsey:** If the company cannot employ all of us, we also cannot sit idle and starve to death, so we will come back here to our mining site and work.
Researcher: Is there any way you would embark on a demonstration or have conflicts with the government?

Galamsey: Oh with that, it can happen because the government has cheated us for long. When every government comes into power, they lie and manipulate us. They only develop the big cities and leave those of us in the villages to our fates. Meanwhile, we are also those who form the majority and we voted for it. So if this is what puts food on our tables and the government decides not to grant us the free will to do that, then we will not understand and we will be furious.

Researcher: So you will protest?

Galamsey: It can happen. Because a serpent bites with its eyes opened. As we are here, we gave the government its power. We voted for it to get money to finance development. So why should it neglect and throw dust into our eyes? So we are serious, we cannot steal because we are not armed robbers. So since this is our means to feeding [our families], we will do it. (Interview November 2014)

A miner from another active galamsey group concurred that “it is not possible for the security to stop [galamsey] – they will run away but they will always come back.

Six months ago, soldiers came and covered the pits. We ran away for a while but we came back” (Interview November 2014). Finally, a Villager in G3 argued, “the desire of the government to stop the work is wrong because the young men do not have jobs so galamsey helps them to earn an honest living. The government should stop the galamsey work only if they have been able to provide or create jobs for the people” (Interview February 2015).

The fact that so many people engage in galamsey on a large-scale concession in Village G3 and G4 means that they confront state enforcement units frequently: indeed, Village G3 had the highest expectation of conflict of all the surveyed communities with
about 65% of people stating that they expected some sort of conflict over natural resources. The expectation in Village G4, on the other hand, was a bit lower at about 50%, but still at the higher end of the surveyed communities. The expectation of conflict in this area is likely high because communities in the area have been targeted by the state taskforces since the closure of the BGL mine in 2002. Tschakert (2010:) states:

...in late 2006, the government initiated Operation ‘Flush-Out’, requested by BGL and coordinated by the Chamber of Mines. It left three people shot in Prestea and several sites emptied of both ore and equipment. The military also confiscated all equipment at mining and processing sites, burned land around existing shafts, and dug trenches to prevent galamseyers from returning to continue working.

In addition to military sweeps, Golden Star itself engages in violence and intimidation to suppress any activity it sees as against the company’s interest. For example, a group of Golden Star employees physically accosted members of the research team while we were walking to view a community farm on another area of the concession. Despite being accompanied by a Village Chief and the fact that community members regularly used the route to access their farms, which Golden Star had refused to relocate, the Golden Star employees justified their intimidating behavior by accusing us of trespassing on private property. Such conduct has been well documented both with Golden Star and with other mining companies in Ghana (Personal Communication, Owusu-Korateng 2015). Understandably, community residents and galamsey alike fear such confrontations with both the state and the company.
The use of strong enforcement measures, however, are difficult for the state and the company to sustain over time. Miners attribute a rise in conflict and crime around the time of Operation Flush-Out to the government’s harsh anti-galamsey stance, which was seen as being initiated by the NPP’s President Kufuor. For instance, one miner in the area argued, “stopping galamsey without finding jobs for us will be quite disastrous for the country. The high rate of crimes in the 2000s during President Kufuor’s administration can be attributed to the seizure of galamsey that rendered a lot of people jobless” (Interview November 2014). The suggestion that attempts by the state or private companies to prohibit (either formal or informal) artisanal and small-scale mining ultimately result in increased conflict has been substantiated both in scholarly research and government reports (CHRAJ 2008; Hilson & Yakovleva 2007; Tschakert 2010).

Armah et al. (2014: 1739) for example, argue that intensive enforcement of anti-galamsey policies “does not seem to be a viable solution, however, as a crackdown in 2004 led to an explosion in local crime and was then abandoned.” Such strong enforcement measures ultimately came with a political cost: many people we spoke to argued that the NPP lost the election in 2009 because of its anti-galamsey policies. The Village G3 Chief, for example, argued “the [NDC] government opposed Kufuor’s [anti-galamsey] policy and came to power. [The NPP] lost majorly for supporting anti-galamsey measures” (Personal Communication, November 2014). Along these lines, the Director of the Artisanal and Small-Scale Mining – Africa network availed AngloGold Ashanti in a
public forum in Obuasi to recognize that peace was possible only by directly addressing the needs of artisanal and small-scale miners. He noted, “the Chamber of Mines said that ‘no, this whole land is for AngloGold Ashanti so as for small-scale mining, we can’t have it in Obuasi. So we asked them: so the troubles, the disturbances, the killings, do you like it? Let the people work and you will have your peace” (Nii Kofi Mensah ASMAN December 2014).

6.2.4.2 Enforcement and Conflict in the Golden Star Concession

The backlash associated with the crackdown on galamsey around Villages G3 and G4 ultimately led to the election of a new government in 2009. One galamseyer stated, “I think around President Kufuor’s tenure of office they…stopped us from working [and] the soldiers came to worry us. But later when the late President Mills came to power, he asked us to vote for him so that [in return] he gives us a place to mine our gold to feed [our families]” (Personal Communication, November 2014). Similarly, when we asked the Chief of Village G3 why the state allows such extensive galamsey activities to occur in the Golden Star concession without consequence, he replied:

...that [question] is serious. The state has given the company permission to operate and the investor has paid a lot to come to this land. The government has to stop galamsey or sit down with the company and have them give [more or adequate] benefits to the community. The problem for the government of the day is the politics against the company. The Government would have to bring in security or military to stop galamsey. The NPP tried to be anti-galamsey...they lost support and lost office. The government is playing politics with galamsey” (Personal Communication, November 2015).
The Chief of Village G4 concurred: “The government did not stop the galamsey because they knew there would be trouble between the galamsey and Golden Star. So for political reasons, they didn’t choose to enforce” (Personal Communication, February 2015). In other words, to prevent larger-scale conflict, the state has realized that it needs to balance the interests of the multinational company with the needs of its rural constituents. In essence, it cannot fully consolidate its authority in these areas without ultimately losing political power. As a result, the state selectively engages with galamsey groups – enforcing just enough to accommodate the multinational company but not so stringently that it risks creating larger social unrest. The equilibrium that results appears socially optimal for the state, but perpetuates chronic local conflict between the company, enforcement units, and communities, as well as environmental degradation.

Within this context, local governance authorities retain the power to grant access to mineral resources and buffer enforcement impacts. The traditional authorities and District Assemblies, in particular, play a vital role in apportioning lands, resolving potential disputes, and running interference against the activities of the taskforce. For these services, the local governance authorities levy substantial taxes. One Villager in G3 remarked:

Yes, the Town Committee and the leaders of the community help negotiate with the soldiers when they come around. I believe that the rules of the chiefs in [Villages G3 and G4] when it comes to the rates or load they charge the galamsey workers is very extreme. I have not seen such a thing in any other community outside this
area. The underground mines are cheated as the chief takes a
sizeable share of the load for doing nothing. While the ghettos are
made to pay with loads every week, the machines pay an amount
of money every 3 weeks. Out of 10 bags of load, the chief takes 2
bags before we are able to share the rest of the load with the pit
owner, the pump machine, the chiselers, the loco boys, and the
sponsor” (Personal Communication, February 2015).

Another galamsey worker noted, “the chief and Assembly come for their share [on
Fridays]. Payment is done pit by pit – whatever group is working there. They take in-
kind payments not cash…so they will have a number of the stones. The Chief and the
Paramount Chief must work out their sharing agreement” (Personal Communication,
November 2014).

Many galamsey perceive that in making informal payments and obtaining the
backing of local authorities, their work becomes increasingly legitimate. At another
galamsey site, one miner argued “this work is not small-scale but rather galamsey. The
chief knows, the assemblyman also knows…so no one will come and worry us”
(Personal Communication, November 2014). This can create confusion within
communities about who, exactly, has the authority to permit mining activities. Often, the
state is perceived as only one of a number of competing authorities with the ability to
grant access and benefit rights. One galamsey group in the area attempted to convince
us that they were a legal operation because they possessed a “permit,” which they
claimed was granted by a local committee that “sits [i.e., negotiates] with the
government” (Personal communication, November 2014). In fact, the permit, so to
speak, actually consisted of a collaborative agreement with the chiefs and community leaders that had authorized the group to work.

When the soldiers come [the committee] sits with them to work things out. Initially, we run away when the soldiers come [and] then the Committee sits with the soldiers and [the workers] can come back. The Founders of the camp sit on the committee – [including] the opinion leaders of the galamsey camp, the chief, other opinion leaders like the District Assembly representatives. This happens when there is resistance to [galamsey] – the committee comes together to solve problems (Personal Communication, November 2014).

We were unable to determine what such negotiations might entail. However, it remains clear that traditional authorities and Assembly representatives have a direct interest in maintaining their ability to authorize galamsey work, and the state retains an interest in not disrupting these local relationships too extensively. In addition to local governance figures, galamsey in the area also benefit from the interference of more powerful political patrons. A number of individuals confirmed that MPs and DCEs often pass along information about taskforce activities in exchange for political loyalty and votes. One Villager in G3 noted, “Politicians give [the galamsey] information. The MP (from the NDC party) and the DCE – they promised to allow galamsey during the election [in exchange] for support” (Personal Communication, February 2015). The Chief from G3 similarly exclaimed that “the government of the day is supporting galamsey. The MPs, the District Commissioners, and the Ministers…they invest in galamsey…they hire excavators and give them to [the galamsey]” (Personal Communication, November
2014). Finally, a long-time galamsey worker confirmed that the “MP promised to support galamsey during the election time if they voted for [the party]. The MP calls grass roots supporters to warn them when the task force is coming...they heard last week that the taskforce will soon come” (Personal Communication, February 2015).

Galamsey has maintained its position as a critical rallying issue for politicians in the most recent election. Newspapers cite that politicians continue to promise access and protection for galamsey in exchange for votes. The NPP Candidate, Nana Addo Dankwa Akufo-Addo, who ultimately won the election in 2016 promised to formalize galamsey as a central part of his campaign platform. He pledged during his campaign: “I was here in Obuasi to say that Galamsey, which I prefer to call small-scale mining, will be regularized, to ensure that the youth all find work to do” (Taylor 2016).

Within this complex and dynamic context, formal regulatory activities, such as public consultations, have struggled to maintain their relevance as a mechanism to consult and resolve extractive disputes. EPA Public Consultations, for example, were implemented in six of the twelve communities in the sample, meaning that about 50.6% of households surveyed had the opportunity of attending and participating in a public forum. However, only 19 households – about 6.1% of the sample – stated that they had attended an EPA forum, a proportion which is significantly different from expectations ($p<0.000$). In the Golden Star catchment, a Public Consultation was held in Village G4 in 2014 to inform communities about forthcoming activities on the concession. Households
in Village G4 argued that there had been no grassroots consultation by the company, with one village elder arguing that the “impact statement was only shared with the Chief [so] the Forum was the first time we had access to the information” (Personal Communication, March 2015). The Chief argues, in contrast, that the company “gave the Impact Statement to communities to review two months before the EPA hearing. One thousand people attended – they provided about 10 buses to bus in people from [Village G3 and surrounding communities]” (Personal Communication, February 2015). Despite the Public Consultation, however, communities around G3 ended up protesting the company anyway. The Chief of G3 noted, “when they did the forum [communities realized] they had a green light to do surface mining. Village G3 and surrounding areas are very much a galamsey community. People in Village G3 blocked the road [because] they were afraid that the company would resettle them. They arrested people and the case is still pending” (Personal Communication, November 2014). Such evidence suggests that communities continue to prefer informal pathways to address extractive issues, and that formal state regulations do not really offer a chance to influence or stop large-scale projects from happening.

6.2.4.3 Direct Interference Communities

Competition for extractive resources in direct interference communities tends to be high, especially between informal and formal actors, and conflict emerges as these actors contend for resource access on the ground. As with interdependent communities,
the presence of external actors in the form of multinational companies creates a strong incentive for the state to consolidate its authority vis-à-vis local actors. However, the preceding subsections demonstrate that the state must balance its interest in protecting multinational actors with the fact that stringently curtailing resource competition among local governance networks can result in negative political consequences. Ultimately, the state appears reluctant to challenge powerful local governance networks that continue to confer legitimacy to informal mining efforts. As a result, direct interference communities continue to see the state pursue a strategy of selective enforcement, with the state enforcing enough to satisfy private companies but not enough to risk losing political power. In these communities, informality reigns in terms of addressing issues of access and resolving conflict.

While the state’s balancing act potentially prevents larger-scale conflict over extractive resources, its strategy of selective enforcement has contributed to chronic local conflict and environmental degradation as private companies and informal mining groups clash over access to mineral resources. Around Villages G3 and G4, the physical terrain remains inundated with galamsey camps that work around the clock, seven days per week. The national and regional taskforces, meanwhile, occasionally sweep through to crackdown on mining activities and maintain their wider visibility. One household in Village G3, for instance, remarked that “all three household members are involved in galamsey with their own machines doing surface mining. Occasionally, the soldiers
from Takoradi [i.e., the taskforce] and Prestea [i.e., security from the mining company] visit the site to destroy the machines and [stop] them from working” (Personal Communication, February 2015). Another noted that “soldiers have destroyed [her husband’s] machine on two different occasions, so he has lost two machines to soldiers. He replaces the destroyed parts” (Personal Communication, February 2015).

In the long run, the unwillingness of the state to consistently enforce its own laws has undermined its role as the primary governance authority in the minerals sector. Even as international actors have worked with the state to improve its natural resource governance capacity, local actors have maintained their authority to legitimize activities within the informal sector and thus eroded the potential benefits of governance reform. The ability of local governance networks – especially traditional authorities – to provide access to lands, levy informal fees, and provide protective cover for illegal miners has contributed to the sense that much of the galamsey work in the area has at least some legitimacy. Ultimately, the fact that numerous governance networks obtain distributional benefits from this system suggests that it will be difficult for the state to shift from this equilibrium over time.

6.3 Implications of a Fragmented Political Terrain

Evidence from this chapter reinforces two of the main arguments presented in Chapter 3. First, the regulatory and political state in Ghana have made little progress in their efforts to formalize the informal sector primarily because the state is not seen as the
primary governance supplier at the local level. Rather, local communities continue to
assign governance authority to a variety of actors at the local level including traditional
authorities, land owning families, political patrons, and even the mining companies
themselves. Where communities do assign governance authority to the state, the concept
of “the state” remains vague and unspecific. Few communities, for example, possessed
knowledge of either who the primary regulators were or their activities, even in mining-
adjacent communities. Second, the political state remains reluctant to consistently
enforce its laws and policies, appearing instead to pursue a strategy of selective
enforcement to combat galamsey activities. In particular, the state appears more likely to
enforce its authority in areas where it possesses strategic interests; however,
enforcement efforts even in critically important areas may be tempered by the extent to
which local governance networks compete for access to mineral resources on the
ground. Overall, the quantitative and qualitative evidence from the household surveys
suggest that the state may be actively attempting to balance multiple competing interests
on the ground, which has undermined its authority within the mineral sector.

In its attempt to balance these competing interests, the Ghanaian state finds itself
trapped within a political terrain that appears socially optimal, but which may
ultimately enhance the risk of chronic social conflict and environmental degradation. To
move this system out of its current position would require the state to redefine
distributional benefits – in favor of MNCs or informal actors – that could contribute to
more substantial civil conflict (see, for example, (Hilson & Yakovleva 2007). Ultimately, the retention of plural rule sets, through which competing governance networks maintain distributional benefits, makes it nearly impossible for either the regulatory or political state to propel institutional change (Knight 1992). This means that even as power and authority has been channeled to the state through formal reforms that aim to securitize the natural resource sector, governance networks at the subnational level have continued to carve out governance authority from the state to control those same resources on the ground (Libecap 1993). The primary challenge for the Ghanaian state thus becomes not to design and implement policies that persuade or encourage illegal miners to formalize illegal extractive activities, but rather to convince competing actors that the state is the only governance supplier that can legitimately permit these activities (Van Bockstael 2014).

The NPP’s Nana Akufo-Addo was elected in 2016, in part, because of his promise to “regularize” galamsey activities. However, this analysis demonstrates several ways in which such a promise may be problematic for the government to implement successfully. First, the Government of Ghana has already been pursuing a strategy of formalization and/or regularization, without substantial success. As Chapter 5 shows, it possesses little revenue to fund such activities, a fact which has become more problematic as international funders pull out of Ghana. Second, as this Chapter shows, local communities still do not accept that the state is the primary governance supplier of
mineral access and benefits. As such, the state would first need to work extensively with local actors, like the traditional authorities, to incentivize cooperation in the mineral sector before formalization becomes a viable strategy. Finally, there is little chance that the state could fully absorb the vast number of galamsey currently operating in Ghana. As such, the state continues to risk larger-scale conflict if it attempts to enforce formalization policies too harshly, as this chapter demonstrates. Formalization, thus, does not really address the larger issue of conflict as it relates to the informal economy. Rather, it sidesteps larger issue about governance authority, trust, and the provision of good and services to rural populations. These issues will be discussed further in the concluding chapter.
7. Good Governance, Natural Resource Conflict, and Peacebuilding

7.1 Good Governance and the Resource-Rich State

Scholars and transnational actors examining the relationship between natural resources, governance, and conflict have increasingly focused on a narrative of weak institutions to explain social instability in resource-rich states. As this discourse progressed in the post-Cold War context, a seemingly simple solution to natural resource conflict emerged: build strong institutions that can serve to propagate Western democratic and rational-legal principles and practices across diverse contexts. By introducing governance models that enhance state transparency, accountability, and participatory governance, resource-rich states could expect to transform their domestic political contexts in ways that mitigated conflict and reinforced processes to build peace.

Simply put, social stability, especially in the Global South, came to be viewed first and foremost as a function of institutional design and formal state capacity. In Ghana and Sierra Leone, many government agents and civil society actors embraced this discourse to advocate for adopting and implementing global governance models that served to modernize domestic institutions, especially in the extractives sector. The Chairman of the Public Interest and Accountability Committee in Ghana, a body which monitors the collection and distribution of oil revenue, reflected this sentiment in his opening remarks launching the 2013 Annual Report:
There is no substitute for good governance. The absence of good governance, including transparency and accountability, is too serious to contemplate. Countries have charted that course – and their resources were labeled a curse rather than a blessing. Our God-given natural resources should work for us as a nation through honest and prudent management. It is up to us to ensure that our resources do not work against us (October 30, 2014).

At its core, the good governance approach aims to construct strong formal institutions that simultaneously consolidate authority for natural resource management within the state while socializing domestic actors to accept the marketization of those resources.\(^1\) As such, bilateral aid agencies, international organizations, and international NGOs have compelled resource-rich states to engage in structural changes that align the state with internationally-accepted standards of natural resource management. Most states, with heavy-handed assistance from transnational actors, have thus engaged in extensive legislative remodeling, introduced new structures and practices to enhance state accountability through monitoring, dialogue, and informed consent, and instituted specific forms of regulation to address issues of resource access and environmental impacts. The overriding assumption grounding this approach is that governance institutions developed in other contexts can be vertically transferred to and incorporated within resource-rich states without losing their ability to deliver neoliberal principles effectively. Increasingly, scholars and practitioners contend that by building capacity

\(^1\) Marketization is again defined as “promoting and establishing the conditions that allow the environment and natural resources to generate revenue including foreign investment, privatization, deregulation and private property rights” (Beevers 2011: 17).
and encouraging reconciliation between global and local models, domestic actors can overcome the transaction costs associated with institutional change to produce “good enough” governance conditions that encourage peacebuilding (Grindle 2007).

The case studies employed here aptly demonstrate the effective globalization of statebuilding in the post-Cold War context. In both Ghana and Sierra Leone, a relatively strong regulatory state emerged in response to reform efforts, but one which almost directly reflected global normative standards rather than domestic political conditions. Contrary to expectations, domestic regulatory agents created through structural reform failed to serve as institutional interpreters; rather, their placement within global governance networks served to shield them from domestic political constraints that may have otherwise generated incentives for institutional convergence. Whereas an upward focused regulatory state has been instrumental in regulating the activities of multinational corporations and other elite extractive producers, it has struggled to address the constraints faced by domestic producers. Globally-oriented regulatory reforms have instead effectively created a barrier to formal participation for non-elite producers, and served to bifurcate society into an informal-illegal zone and a formal-legal zone. A number of recent studies on mineral extraction in both Ghana and Sierra Leone maintain that the state could more effectively minimize the negative impacts of institutional reform – especially informal mining activity and its attendant conflict – by better recognizing and ameliorating domestic constraints that impede compliance with
formal state regulations (Hilson & McQuilken 2014). This suggests that the suboptimal outcomes associated with reform in Ghana and Sierra Leone continue to be viewed primarily in terms of institutional design, convergence, and capacity.

The emphasis on weak institutions in resource-rich states has perpetuated the notion that by tweaking structural conditions just enough or in the right ways, transnational actors can produce domestic conditions which supervise the growth of modern liberal governance. This dissertation has sought to disrupt this narrative by empirically analyzing the relationship between governance reform and conflict in Ghana and Sierra Leone. Through the lens of mineral extraction, this dissertation has exposed the ways in which institution building reinforces relations of power and authority in society that impede the state from consolidating social control, mitigating resource conflict, and stemming environmental degradation. A central tenet of this research is that institutional reforms have contributed to, rather than diminished, patterns of development that undermine state-society relations, and reinforced conditions that promote institutional plurality on the ground. Even as global actors have supplied governance models with the capacity to liberalize domestic patterns of resource extraction, local agents have maintained the agency and ability to draw on deeply embedded social structures and governance networks to minimize the distributional impact of institutional change. By providing an alternative system of social control, non-
state actors have effectively hollowed out state authority, and impeded its ability to address resulting conflict and environmental degradation.

The central paradox of this dissertation thus emerges within this framework: Ghana and Sierra Leone have constructed strong environmental governance institutions that continue to operate within a larger context of perpetually weak governance. This outcome illuminates two important points about the ability of externally-driven institutional reform to drive real social change in resource-rich contexts. First, institutional convergence is unlikely to occur where the vertical diffusion of global models reproduces domestic structures and agents “that are direct reflections of world institutions and professions” (Meyer 2010: 13). Whereas the conventional theoretical literature and some empirical evidence from conflict-affected contexts suggests that global models can be repackaged to account for domestic constraints, the case studies employed here show that vertical diffusion is more likely to result in institutional disaggregation than convergence. Supported by global policy networks and largely divorced from domestic political realities, the regulatory state in Ghana and Sierra Leone has engaged in forms of governance that have effectively created new spaces for dialogue, information sharing, and citizen participation without actually empowering societal non-elites to engage in these formal extractive processes. Simply put, institutions which enhance transparency, accountability, and opportunities for participation in
extractive governance become meaningless where citizens lack the social and financial resources, as well as the motivation, to politically engage.

Second, increasing the (regulatory) state’s capacity to govern natural resources does not simultaneously enhance the state’s authority – and thus, ability – for environmental governance within society. Simply put, structural reforms can alter domestic constraints on the ground without changing the underlying distribution of power within society. By employing an approach that integrates structure- and agency-oriented arguments, I show how a variety of domestic agents capitalized on their positions of authority to obtain distributional gains from institutional change and reinforce their standing within society. In particular, I argue that competing governance networks have emerged to supply non-elite producers access to mineral resources, which has contributed to chronic local conflict over issues of access and benefits, as well as substantive environmental degradation. The assumption to date has been that engaging in formal statebuilding will ultimately incorporate or replace customary forms of governance, effectively re-orienting society around a single set of neoliberal governance institutions. However, this approach fundamentally assumes that domestic producers view the state as the only viable governance supplier in the minerals sector. Empirically, I demonstrate that the state remains only one of a number of alternative governance networks that retain substantial authority for supplying legitimate governance solutions to issues of mineral access and benefit distribution.
A central challenge for the state, then, is that its authority for natural resource governance is not absolute – a point which has been lost on the regulatory state but not on the political state. The political state, bound by political constraints at the domestic level, has hesitated to consolidate its governance authority within the informal sphere because to do so would ultimately require that it engage in substantial bargaining with competing governance networks over the distributional costs of reform. Rather, the state seems to have followed a path of least resistance: it appears more likely to enforce its authority in local contexts of strategic interest, especially to protect multinational corporations that provide critical revenue, but avoids enforcement in most other contexts. I argue that violent conflict is more likely to emerge where the political state chooses to challenge local actors and enforce its authority. To threaten the equilibrium that has emerged between formal and informal actors in Ghana and Sierra Leone would mean that the political state risks losing critical political support from key domestic constituents, or even kindling domestic conditions conducive to larger-scale conflict. In effect, then, the state employs a strategy of selective enforcement as a form of compensation to ameliorate the costs of institutional reform and maintain political power. While this strategy has produced chronic, low-intensity conflict between competing governance networks, environmental degradation, and the pursuit of elite interests and power at the expense of sustainable resource extraction and livelihood
security, it has essentially helped the state avoid creating conditions through reform that could contribute to more intense social conflict.

These findings have broader significance for understanding the capacity of environmental governance reform to promote peacebuilding in resource-rich states. This chapter thus concludes with a discussion of the theoretical and empirical implications for social conflict and environmental protection generated by institutional reform in Ghana and Sierra Leone. First, the cases analyzed here suggest a need to re-examine the role of institutional design and transfer in statebuilding, particularly as it relates to good governance in the extractives sector. Second, the empirical results from this research suggest that the mechanisms through which environmental governance contributes to peacebuilding are underspecified, and require more extensive theorizing (rests on the assumption that we can strategically alter relationship between state and society, increase state social control and formalization). In particular, I interrogate the ways in which external actors influence conflict risk by altering the political calculus between state and society (state-society lacking). Third, the literature on environmental peacebuilding has largely assumed a direct causal link between governance reform and environmental protection. However, my results suggest no clear relationship between social stability and environmental sustainability. Finally, Ghana and Sierra Leone hold lessons for other resource-rich states engaged in good governance and institution building.
7.2 The Realities of Institutional Transfer in Resource-Rich States

The empirical evidence from Ghana and Sierra Leone demonstrate that the vertical transfer of standardized models – blueprint development – remains a fundamental mechanism driving institutional change in the Global South. As Chapter 4 reveals, the regulatory state in both Ghana and Sierra Leone was modeled directly on norms, structures, and principles that have been institutionalized as “best practice” at the global level. The emergence of nearly identical mineral and environmental regulatory agencies that draw on specific licensing and permitting processes is indicative of the perceived need within global environmental policy circles for particular forms of regulatory governance to manage natural resources at the domestic level effectively (Johnson 2016; Meyer et al. 1997b). Sociological theorists suggest that the diffusion of normative models powerfully shapes state interests and practice, but in ways that often lead to decoupling between institutional form and function (Finnemore 1996a; Meyer et al. 1997a)[see also Weinthal (2002) for a political science approach]. In other words, institutional structures modeled on idealized normative standards will fail to attain their objectives when incorporated into a society which operates on fundamentally different cultures and cost structures.

Theorists in the new institutionalism tradition have responded to ideas of decoupling or loose coupling with the concept of institutional convergence, or the notion that it is possible to design global institutions in ways that reconcile them with local
practices, rules, and norms (Rodrik 2008). What the data from this dissertation suggests, however, is that the notion of institutional reconciliation is fundamentally flawed on three accounts. First, reconciliation depends to a great extent on the presence of domestic actors that possess knowledge of both global and local culture, and their ability to act as a bridge between different scales of governance. Yet, World Polity theory contends that the diffusion of global models fundamentally constructs actor identities and purpose in ways that socialize domestic agents to internalize global principles, and legitimates those identities as valid domestic interests (Meyer et al. 1997a). Meyer et al. (1997a: 161) at all conclude that, as a result, “if a nation-state neglects to adopt world-approved policies, domestic elements will try to carry out or enforce conformity.” In Chapter 5, I provide empirical evidence that regulatory agents in Ghana and Sierra Leone are assuming this role. Rather than integrating global models at the domestic level, the regulatory state has attempted to replace customary modes of governance with modern regulatory practices. The underlying belief behind this approach is that modern governance institutions and practices are necessary to achieve social and environmental protection. The Minerals Agencies and the EPAs, in particular, have consistently minimized the severity of domestic constraints that inhibit formal regulatory compliance and continued to push for a strategy of formalization to address rampant informal mining. This approach fundamentally denies local perceptions that regulatory models are out of step with domestic practices and cost structures, as well as the fact that the
state has yet to consolidate its authority for environmental governance fully. Simply put, institutional diffusion has not produced domestic agents capable or willing to engage in reconciliation.

Second, it is unclear how reconciliation can address the broader issue of state disaggregation. As domestic agents have been integrated into global governance networks, they have become increasingly shielded from domestic political controls. In particular, the international community has effectively become the primary principal to the regulatory state because of its capacity to supply much needed financial and technical resources. While the political state retains control of some aspects of the regulatory process—especially approving mineral permits and licenses—regulatory practices are left primarily to the discretion of the agencies. Multinational companies have capitalized on this framework to cement their competitive advantage vis-à-vis domestic producers. In particular, they have benefitted from policy decisions in Ghana and Sierra Leone that removed elements of the regulatory state from the public budget and forced them to rely extensively on their regulatory income to operate, which increased the importance of safeguarding large-scale concessions to generate revenue. Taken together, these factors have deepened regulatory ties with governance networks outside the sovereign bounds of the state and encouraged the regulatory state to focus upwards on global norms and standards. This has served, in turn, to disincentivize the regulatory state from addressing domestic grievances and make it more difficult for the
political state to supervise its regulatory arm. One EPA official in Ghana noted, for example, that the EPA often dictates policy to its Ministry rather than the other way around since the “Ministry needs capacity building” (#37 October 2014). While this is less true in Sierra Leone, where the political state continues to coopt regulatory functions for political gain, most regulators see independence from the political state as a critical step toward fulfilling their regulatory purpose. As regulatory independence deepens in both contexts, we would expect to see a diminished capacity for institutional reconciliation as regulatory agents attempt to further distance themselves from domestic political constraints and function in ways that reflect global standards.

Third, achieving institutional reconciliation in resource-rich contexts has largely been viewed in terms of good governance, or, the ability of domestic institutions to facilitate transparent and participatory practices that enable society to hold the state to account. The logic here is that domestic constituencies can use formal channels to advocate for their interests. Domestic pressure, in the form of public input and lobbying, should pressure the state to adapt its decisions and policies in ways that better align with domestic conditions and alleviate local grievances. In essence, good regulatory institutions should open channels of communication between state and society that foster convergence towards forms of governance that function within the confines of domestic constraints. However, I draw on empirical evidence from the Environmental Assessment process in Chapter 5 to argue that the consultative spaces which emerge
from policy reform tend not provide the freedom of expression often envisioned by policy makers. Drawing on Foucault (2008) and Lefebvre (1991), I posit that formal practices regulate the conduct of conduct in ways that make it difficult for non-elites to participate in or benefit from these practices. In other words, regulation constrains participation to forms that are legible to policy makers. As a result, reforms have continued to empower and benefit elite actors – often those individuals within society that already have capabilities to shape policy. This effectively creates a positive feedback loop in which principles like transparency and participation accrue benefits to elites, who have few incentives to change the underlying system to enhance inclusivity.

Taken together, these points suggest a need to rethink what we consider to be the advantages of vertically transferring global models to domestic contexts. Both cases employed in the dissertation demonstrate that outcomes from institutional reform have directly benefitted some groups in society while continuing to actively exclude and harm others. An emphasis on practices that enhance transparency, participation, and accountability has not subverted this conclusion – rather, it has paradoxically reinforced it. In Ghana and Sierra Leone, there is no shortage of meetings to attend where elite actors, representing civil society, the state, or international organizations, passionately discuss the future of extractives policy in subarctic air-conditioned rooms. And, yes, lunch will always be provided. In such rooms, where participation is the buzzword of the day, elite actors discuss the impacts of good governance policies and advocate for
decisions to be made on behalf of their absent rural counterparts. In an EITI meeting in Freetown in January 2016, for instance, I was particularly struck that about one quarter of a meeting of the multi-stakeholder group was spent discussing how many participants could be flown to attend the global EITI meeting in Lima, Peru.

Participation in the global meeting was paramount to show Sierra Leone’s commitment to transparency – despite the fact that the Secretariat, whose very existence is predicated on information sharing, could not supply me with any hard copies of its most recent reports.

In effect then, an important conclusion of this dissertation is that by increasing the ability of some in society to influence the policy process and not others, good governance reforms further disempower non-elites in ways that make institutional convergence, and thus social change, more difficult. Hironaka (2014: 7) argues that social change often results from an “aggregation of causal factors pushing in the same direction.” In the cases presented here, I posit that social change has been stymied because institutional reforms have fostered domestic conditions in which a number of societal elements pull in different directions – thus effectively producing societal gridlock. In particular, the regulatory state and its attendant civil society push society to institutionalize global norms, but are constantly undermined by societal forces pulling in the exact opposite direction. Ultimately, institutional reforms do not bring about a broader transformation in natural resource management. Instead, social processes are
reinforced within each governance sphere and overlap only when they come into
conflict with one another. In summary: institutional transfer has reinforced domestic
political conditions that make it harder to propel social change.

7.3 A New Political Calculus: Environmental Governance and
Peacebuilding

Evidence from this dissertation also suggests a need to reconsider linkages
between environmental governance and peacebuilding. Proponents of environmental
peacebuilding posit three primary linkages between governance reform and peace: 1)
reforms promote conditions to safeguard livelihoods and foster sustainable
development, 2) reforms improve state-society connectivity thereby reducing political
grievances and promoting cooperation; and 3) reforms constrain the extractive capacity
of the state and other elite actors. I address the first linkage in the next section, and focus
primarily on linkages two and three here.

In Chapter 3 and 6, I build on state-society theory to better understand the
relationship between governance reform and natural resource conflict. State-society
theorists contend that the circulation of power in society is a critical determinant of state
behavior: specifically, the theoretical literature posits that the state views its power and
authority – and limits to it – in relation to the distribution of power among societal elites
at the subnational level (Boone 2003; Migdal 1988b). Proponents of environmental
peacebuilding theorize that through institution building we can essentially re-shape this
relationship in ways that make social transactions more uniform across domestic
groups, especially with regards to the extraction of high-value natural resources. By applying a predictable set of impersonal rules evenly across the board, the state can theoretically create an enabling environment for sustainable extraction, as well as designate standard processes to help people resolve extractive conflicts. Strong institutions thus provide formal opportunities for domestic constituents to influence decision-making processes and to hold their state accountable. Simply put, this approach assumes that states can “limit violence through institutions” (North et al. 2009: 17). Results from this dissertation contribute to this theoretical discussion in three ways. First, institutional reform has failed to serve as a focusing event through which the state can consolidate social control; rather, it has provided opportunities for subnational actors to expand their governance authority in tandem with the state. In response to a sustained fragmentation of its authority, the state has been forced to become more rather than less accommodating of competing networks, and accept competition as the price of ensuring wider stability [see also Beevers (2011)]. Second, institution building in Ghana and Sierra Leone has done little to limit violence; rather, it has reshaped the political calculus between state and society in ways that lead to uneven patterns of violence across society. In particular, the presence of external actors in the form of global policy makers and multinational companies compel the state to take action in local contexts that may be at odds with the interests of its domestic constituents. Third, this dissertation suggests that “medium-value” natural resources, like gold, may contribute
to domestic conflict through pathways similar to those more traditional high-value natural resources, like oil and diamonds, more often linked to civil conflict. In particular, I contend that value is a context-specific natural resource characteristic, and scholarly attempts to reduce conflict to specific properties of a high-value resource like oil miss important linkages between environment and conflict (Ross 2012).

In terms of the first pathway, a central assumption underlying the environmental peacebuilding approach is that securitization – or the consolidation of state authority for environmental governance – is a necessary condition for social stability in extractive contexts (Beevers 2011). Yet, a core outcome of this research is that institutional reform has produced a fragmentation of authority over natural resources and the environment, a condition which has directly sustained conflict and environmental degradation. I demonstrate in Chapter 6 how informal governance networks have responded to provide access and other governance services to non-elites in the face of exclusionary regulatory changes. Specifically, I contend that alternative governance suppliers have capitalized on domestic perceptions of resource exclusion to extend their ability for social control, even as state has attempted to implement formal changes that consolidate its social control. In other words, an array of actors at the subnational level in Ghana and Sierra Leone have utilized their substantial social agency to respond to structural reforms in ways that reinforce long-standing patronage networks. This suggests that
while institutional reform has produced structural changes in both cases, it has failed to substantially reshape the exercise of power in society.

As a result, we have continued to see significant competition over natural resources in society, which has helped to propel conflict at the local level. In particular, levels of environmental violence have surged as different groups across the formal-informal divide contend for extractive opportunities. Across many local contexts, for example, communities have increasingly had to cope with the negative social and environmental impacts related to both formal and informal mineral extraction – especially agricultural conversion, water pollution, conflict over how to distribute extractive revenue, resettlement, poor reclamation practices, and increased noise and general inconvenience. In many instances, such competition has led to chronic grievances at the community level that produce intracommunity conflict, generally in the form of chieftaincy disputes, and erode social capital. In others however, environmental grievances have escalated into violent conflict. I argue that, in many contexts, the state has allowed resource competition to continue as a form of direct compensation to domestic actors threatened by reform. The implications of these social trends are severe: as communities contend with increased levels of environmental and violent conflict, they remain saddled with uncertainty about how best to ameliorate or resolve such conflict. The unreliability of the state in resolving grievances – both at the national and local level – increases perceptions of disenfranchisement and distance,
rather than connectivity, and forces individuals to look to other social institutions for assistance. Sometimes communities rely more extensively on customary governance suppliers, sometimes on formal or informal extractive actors themselves, and sometimes they are forced into the local court system [see for example, Sesay (2015)]. The end result is the same: the state continues to lose authority in the eyes of local constituents, and is seen as another social element competing at the local level to extract resources and benefits from communities.

In terms of the second pathway, the evidence from this dissertation suggests that external actors – specifically the international community and multinational corporations – are undermining the ability of the resource-rich state to create conditions for peacebuilding in two critical ways. First, re-coordinating formal structures around neoliberal principles has incentivized both the regulatory and political state to engage in conduct which prioritizes the interests of external (often foreign) actors often to the detriment of domestic constituencies. To maintain a strategic flow of benefits from these external sources, the state has been compelled to intervene in local contexts where domestic elements threaten international interests. In Ghana, for example, the state has mobilized military units to protect forest reserves and formal mining concessions from informal activity – two zones of strategic interest to the international community. I demonstrate that the expectation of violent conflict in these contexts is significantly higher than in contexts which do not overlap with international interests, which
suggests that external elements shape patterns of conflict in somewhat predictable ways. In this way, external actors have effectively reshaped the political topography between state and society (Boone 2003). Depending on context, domestic actors are a threat to be eliminated, a political element to be accommodated, or a non-entity to be ignored.

Contrary to expectations, then, institutional reform has not integrated societal elements into a unifying framework. Rather, it has created an institutional environment in which international interests appear to be directly pitted against domestic interests, and in which the state must weigh the trade-offs between accommodating actors across different spatial scales.

Second, the good governance discourse has produced path dependencies in the natural resource sector that limit how regulatory agencies can respond to domestic political grievances. In particular, Ghana and Sierra Leone have increasingly turned to regulatory tools like the environmental assessment to address the negative social and environmental impacts of extraction, a process that I show in Chapter 5 to be limited in terms of its ability to communicate non-elite grievances from the local to the national level. The embrace of the good governance discourse in natural resource management has thus essentially undermined the ability for domestic experimentation: local power dynamics and institutions capable of promoting social change are effectively brushed aside in favor of standardized templates that employ globally accepted principles like cost-benefit analysis to resolve potential conflict (Easterly 2006). Simply put,
environmental blueprints constrain the innovative capacity of the state to resolve natural resource conflict in locally relevant ways [see also Campbell (2006)]. In Sierra Leone, for example, Denney (2013) demonstrates how neoliberal and democratic discourse has limited working partnerships between international actors (especially DFID) and customary institutions because of the perception that such local institutions do not engage in appropriate forms of governance – an outcome which has severely curtailed the ability of international actors to create context-relevant policy. Yet, the uncomfortable truth of the matter is that patronage systems continue to be an important mechanism for non-elites to voice their grievances with the urban elite. This is not to suggest that customary governance institutions are not in need of democratic reforms, but rather that the international community is missing opportunities to engage in such reform because the good governance discourse remains the dominant approach to natural resource management. My dissertation, however, suggests that bottom-up approaches, in which elite agents build on existing conceptions of local governance, may be a necessary approach to addressing social conflict and environmental degradation in resource-rich states.

In terms of the third and final pathway, my empirical data suggest that the theoretical literature, which views instability primarily as a function of attributes inherent to high-value natural resources, may overlook an important component of domestic natural resource conflict: value is not solely determined by global markets;
rather, local contexts attach value to natural resources that may not be easily captured in resource-conflict assessments without detailed ethnographic work. Before the start of my field season, a number of international policy experts hypothesized that Ghana would never be at risk for large-scale conflict because gold was simply not valuable enough of a commodity to instigate wide-scale social unrest. However, my results suggest that gold, in both the Ghanaian and Sierra Leonean context, is of critical value to local communities that serves to sustain non-elite livelihoods and reinforce local systems of authority. Additionally, informal gold mining is expanding across both contexts and increasingly occurring in places where it was previously uncommon (i.e., the Northern Region in Ghana). Given the scale at which informal extraction is occurring, there is substantial concern within the government that disrupting these commodity chains will result in instability that could contribute to larger-scale civil unrest. As such, while a medium-value resource like gold may not generate the scale of revenue that propels elite extraction in the form of rent-seeking or rent-seizing, it can act to drive grievances at the local level that may ultimately be just as destabilizing to society. I suggest that this constitutes a bottom-up form of social instability that has received less attention in the resource-curse literature than top-down grievance generating mechanisms (Ross 2004a), but may be just as potent in driving natural resource conflict. Future research should focus on the ability of such conflict to aggregate into large forms of social unrest.
Thus, the overarching implication of this research as it relates to environmental peacebuilding is that, contrary to expectations, institutional reforms are not creating formal pathways through which a majority of domestic actors in society can shape domestic policy. Luong and Weinthal (2010) view such domestic agency as a critical element in successful domestic institution building. Instead, global policy makers – which I take now to include domestic regulatory agents – continue to dictate policies and standards which are deemed necessary to improve natural resource management but which may do little to reshape underlying social relations or capture the true value of the resource in question. In the face of institutions which appear exclusionary rather than inclusive, domestic actors are compelled to engage in practices that foster instability. As a result, a major focus for environmental peacebuilding moving forward should be to understand why accepted policies have been unable to change the strategic climate within resource-rich states, and what can be done to address this shortcoming. In the concluding section of this chapter, I suggest that engaging in a bottom-up approach which builds on existing social institutions is a critical first step to better linking environment and peace.

7.4 Conflict and Environmental Degradation

Perhaps most importantly, environmental peacebuilding has attempted to demonstrate a strong linkage between environmental sustainability and human security – an aspect of development policy that is often undervalued or ignored. Conca and
Wallace (2009: 68), for example, contend that “natural resource management and environmental governance can be a high-stakes point of social interaction...how resources are governed can be a critical determinant in whether social relations follow a peaceful or violent path.” Theorists posit that opportunities for peacebuilding can be generated by centralizing resource governance in relationship to high-value natural resources, as discussed in the section above, while simultaneously decentralizing resource governance in relationship to renewable resources. By placing local communities at the root of decision-making processes that influence renewable resource management, environmental peacebuilding theory suggests that states can better design policies that effectively protect resources critical to sustaining livelihoods, especially in post-conflict contexts. Klaus Töpfer, former executive director of UNEP, emphasizes that the “concept of sustainability provides a link between economic redevelopment and environmental quality” (Conca & Wallace 2009: 75). While this dissertation obviously addresses the governance of high-value natural resources, there are some important implications for how these efforts have impacted issues of broader environmental sustainability. In particular, data from this study demonstrate that governance reforms in Ghana and Sierra Leone have served to accelerate rather than ameliorate environmental degradation in three ways.

First, especially in Chapter 6, I emphasize the ways in which external governance reforms have helped shape the strategic interests of the state – compelling the state to
allocate more resources to resource-rich regions that channel revenue and international legitimacy to the center. Local communities that do not reside in areas of strategic interest – that is, of interest to either the state or the international community – tend to be left to their own devices in terms of service provision and local governance. Without resources and support from the state, however, communities have struggled to find incentives to engage in environmentally sustainable practices. In the CREMA community discussed in Chapter 6, for example, households argued they were contributing more resources to comply with conservation directives than they obtained in return mostly because the state had withdrawn its financial support from the burgeoning initiative. As a result, many households indicated that they had returned to practices in which land was cleared of all vegetation in order to maintain customary cultivation rights. The reluctance of the state to support the CREMA, and its attempts to reshape norms around land tenure, thus eventually undermined the community’s continued willingness to engage in the project. This suggests there are important trade-offs in making a distinction between high-value versus renewable natural resource governance strategies. While communities without high-value natural resources may experience less conflict as a result of direct (and violent) state interference, they are also more likely to receive less state support for environmental initiatives. In other words, decentralization often translates into a “hands-off” governance approach in non-extractive regions – a conceptual transformation which may not ultimately facilitate
environmental sustainability. Simply put, the state may see few benefits to supporting initiatives in areas it does not consider of strategic value. Thus, one important implication of this research is a need to understand how the interaction between governance efforts around high-value versus renewable resources impacts wider environmental peacebuilding objectives.

Second, results from this dissertation call into question whether regulatory reforms are actually introducing processes that enhance environmental protection in the extractives sector. As noted in the previous section, regulatory processes often constrain how the state can address the social and environmental impacts of extractive projects. The perception by many informal actors on the ground is that they have a choice to either comply exactly with formal requirements or bypass the system by seeking access through alternative governance suppliers – a rigid dichotomy that leaves little room for innovation or bargaining to achieve mutually acceptable outcomes. As such, path dependencies created as a function of centralized formal regulations have appeared to undermine rather than facilitate the state’s ability to promote sustainability in that environmental regulation is presented as a zero-sum game. Within these terms, regulatory agents miss opportunities to engage with local leaders in ways that could lead to better environmental and social outcomes. Perpetuating the notion that the state is the only governance authority with the capacity to promote stability and sustainability in the extractives sector has served only to transfer authority for natural resource
governance to subnational actors and reinforce domestic conditions that produce environmental degradation.

Additionally, it is unclear the extent to which regulatory reforms effectively identify and resolve social and environmental trade-offs. The underlying assumption of the environmental assessment process, for example, is that by elucidating the social and environmental costs and benefits of a particular project, domestic actors can better understand, evaluate, and decide on whether project benefits outweigh the costs, or if modifications to the project are required. However, Chapter 5 demonstrates the extent to which the environmental assessment is a process designed to promote the idea of public consent to legitimate extractive activities, rather than a process that serves as a true check on the negative impacts of extractive projects. As such, it appears that environmental assessments have increasingly come to serve as a gauge of the amount of social support or opposition that a particular extractive project may generate. In other words, the extent to which environmental assessments actually produce information or outcomes that protect the environment remains unclear. Based on the evidence presented here, it instead appears that the regulatory process continues to undervalue the non-extractive potential of the environment, as well as the ways in which such potential could contribute to social stability.

Finally, the analysis undertaken here raises an important question about whether the narrow focus on social stability as an outcome variable leads resource-rich states to
take actions that ultimately undermine environmental sustainability [see, for example, Weinthal (2002)]. In other words, utilizing environmental governance as a means to pursue social stability may not produce sustainable environmental outcomes even if it mitigates conflict risk. Ultimately, a critical tenet of this dissertation is that by tolerating some open competition for mineral resources, the Governments of Ghana and Sierra Leone have engaged in conduct that serves to enhance environmental degradation in order to maintain wider social stability. If the current situation continues unchanged, Ghana and Sierra Leone may face long-term environmental consequences that could fundamentally destabilize society as local communities continue to suffer the negative consequences from both informal and formal extractive activities including agricultural conversion, forest loss, water and air pollution, and heavy metal poisoning. The negative environmental impacts of over-extraction will also likely be multiplied by factors such as climate change, which are likely to alter environmental conditions in severe but ultimately unpredictable ways. Alternatively, it is unclear whether enforcing its policies of formalization would effectively improve environmental conditions in Ghana and Sierra Leone since – to ensure stability – it would still require the state to turn over vast tracts of land to accommodate the large number of informal miners currently operating. In either scenario, social stability and environmental sustainability are inversely related – promoting one requires essentially disregarding the other.
7.5 Good Governance as a Way Forward?

The thrust of this dissertation has demonstrated that institutional reforms grounded in the good governance discourse in Ghana and Sierra Leone have produced a political terrain beset by fragmented governance authority, competition for natural resource access and benefits, and chronic local conflict. Although institutional transfer helped establish a strong set of regulatory structures at the national level, the failure of these institutions to propel wider social change raises the question of the utility of continuing to focus predominately on formal institutional reform to reshape state and society relations. While evidence from the scholarly literature continues to point to the necessity of building strong institutions that promote transparent and participatory governance to enhance state accountability and combat resource-related conflict, the international community is less clear about how to transfer these governance principles to distinct, often unstable, resource-rich contexts. In other words, we remain uncertain about the factors that ultimately drive wide-scale social change. This is a critical issue for resource-rich states that engage in seemingly endless state- and capacity-building projects, without necessarily achieving the desired results, in order to construct a governance framework deemed by the international community as capable of mitigating conflict risk.

The analytical approach employed here emphasizes both structure and agency as critical for understanding how and why social change emerges from institutional
reform. Hironaka (2014: 138) argues that, while institutional development is critical driver of social change, it may ultimately fail to produce social change if “(1) international institutional structures are not established, (2) institutions fail to generate the proliferation of agents, and (3) institutions do not transform cultural meaning.” The empirical analysis in Chapters 4-6 demonstrates clearly that vertically-induced institutional transfer fulfilled the first two of Hironaka’s three mechanisms in Ghana and Sierra Leone. However, data from these chapters simultaneously demonstrate that reforms have struggled to address the third mechanism: transforming, or in the parlance used here, reconciling global institutional models to fit the domestic context. Specifically, structural changes have not been able to minimize the importance of informal forms of authority – particularly traditional and political patrons – in governing the natural resource sector. Rather, these domestic agents have capitalized on the exclusivity of newly devolved structures to strengthen their position in society vis-à-vis the state and undermine institutional reforms. As a result, institutional development has reinforced particular patterns of domestic social relations rather than transformed them.

Within this context, three points emerge as critical for thinking about environmental peacebuilding in resource-rich states. The first is the issue of time. A number of scholars contend that, despite the apparent struggle of the good governance framework to produce desired results, we continue to see incremental changes in the
natural resource sector that suggest – if given more time – these governance policies will produce the desired shift in social relations between state and society (Beevers 2015). Hironaka (2014: 140), for example, argues that “change may occur in a roundabout fashion, the apparent lack of change in the short term does not necessarily imply that social change will not occur eventually.” Indeed, Ghana and Sierra Leone have witnessed the emergence of robust regulatory frameworks that appear capable of transforming how society perceives governance authority for natural resources over time. Yet, there is good reason to doubt that continuing to narrowly focus on the good governance approach will ultimately produce desired social outcomes. This dissertation has shown that the diffusion of global structures has reinforced a bifurcation of the state into urban-formal-elite and rural-informal-non-elite strata – a condition that initially emerged out of the colonial policy of indirect rule and persisted within the post-colonial period (Mamdani 1996; Reno 1995). Rather than narrow or reverse this divide, institutional reforms have further distanced domestic elites from non-elites by introducing new structural constraints without dismantling existing systems of social control. As a result, domestic agents have used structural reform to deepen patronage networks and consolidate power – in the formal sphere, the informal sphere, or both. In other words, the incremental social change argued to have taken place as a result of institution building actually reflects elite efforts to extend their “civil power,” and position themselves to further accumulate wealth and privilege (Mamdani 1996: 18).
Thus, what is deemed as social progress should really be viewed as the maintenance of a broader social system that serves to perpetuate structural inequality. Ghana and Sierra Leone, then, are remarkable for the stability of their domestic institutions in relation to sustained attempts at external reform (Herbst 1993).

The second issue of note is the inability or unwillingness of international and domestic policy actors to step away from the good governance discourse even when it has proved to be unsuccessful in transforming domestic social norms. The persistent focus on fostering the emergence one type of governance – founded in western-style democratic theory – has effectively constrained policy actors from experimenting with other forms of governance that may transform natural resource management but through arguably more “undemocratic” avenues. Kelsall (2008) demonstrates that the global policy community often views local context and culture in the Global South as inconsistent with the principles of good governance, while Denney (2014) contends that the politics of international aid agencies limits their ability to engage with real change-makers in society. This suggests that environmental governance principles have congealed around particular normative scripts, and that global policy actors (again, including domestic regulatory agents) are unwilling to break with these scripts even when it results in more desirable outcomes (Marion Suiseeya 2014). Thus, the ability of locally relevant but largely “undemocratic” institutions to produce “good governance” outcomes and drive wider social change remains largely unexplored. This point
emerged repeatedly throughout my fieldwork. In particular, I was struck by the numerous avenues open to communities to hold the chieftaincy – a non-transparent and relatively powerful institution – accountable. In a number of communities in Ghana, for example, villagers had collectively mobilized to destool the chief for failing to fulfill his duty to bring “development.” In each of these cases, I was struck by the relative power individual community members possessed to voice their grievances to a seemingly “unaccountable” rural elite, especially when compared to the relative lack of power the same individuals possessed in a democratic forum like an EPA public consultation. Ultimately, this suggests there is substantial room to explore how building on local, bottom-up governance processes may transform social norms, and contribute to social stability and environmental sustainability.

The third issue of import for environmental peacebuilding is the question of whether the concept of stability needs to be somehow decoupled from that of environmental sustainability, as well as the potential implications of such a decoupling for theory and practice. Results from this dissertation suggest that while environmental sustainability is positively linked to social stability, the reverse causal linkage is not always true, as noted above. Yet, environmental peacebuilding theory tends to approach this causal relationship in ways that ultimately prioritize social stability over the environment, especially economic growth and stability. As a result, best practice in natural resource management is dominated by neoliberal concepts that seek to
marketize natural resources and the environment in order to enhance prospects for peace. The question thus arises: do current conceptualizations of environmental peacebuilding actually undermine environmental sustainability in much of the same ways as mainstream development theory? The tentative answer emerging from this dissertation is: probably, yes. Thus, environmental peacebuilding theorists need to rethink linkages between environment, development, and social stability in order to place human security and environment on a more level playing field. If the environmental is ultimately sacrificed in the pursuit of social objectives, we risk fundamentally undermining human security in the long term.

7.6 Conclusion

By contrasting the experience of Ghana and Sierra Leone in their efforts to reshape domestic natural resource governance, this dissertation illuminates how the vertical transfer of institutional models can reinforce, rather than alleviate, extractive conflicts in resource-rich states. The increasingly global nature of environmental governance has propelled both of these resource-rich states to construct and institutionalize strong regulatory structures capable of managing the natural resource sector according to international standards of best practice. This is a remarkable achievement in and of itself, especially given the highly politicized nature of natural resource management in both contexts. The regulatory state in Ghana and Sierra Leone has been instrumental in creating a stable and predictable investment environment.
capable of attracting substantial amounts of foreign direct investment. In a number of ways, these activities have been instrumental in warding off profound economic crises and possible state collapse (Herbst 1993).

However, environmental governance reforms have been costly at the domestic level. Institutional transfer from the global to domestic level has reinforced formal-elite and informal-non-elite divides within society, and the emerging regulatory state has been unable to ameliorate this tension. While governance reform in other contexts suggest that the international community can compensate for such instability through the provision of side payments, financial transfers from foreign direct investment and international development have been too meager to compensate important domestic constituencies. As a result, the state has been forced to tolerate competition, in the form of informal mineral extraction, to compensate domestic actors for reform. This competition has contributed to chronic local conflict, as domestic networks vie for access and benefits, as well as substantial environmental degradation.

In general, these West African cases serve to challenge environmental peacebuilding theory in important ways. Ghana, in particular, should provide a strong case for environmental peacebuilding, given its relative stability and well-institutionalized context. However, as in Sierra Leone, governance reforms have been unable to fundamentally restructure state-society relations in ways that would alleviate natural resource conflict. These results do not suggest there is no relationship between
environment and peacebuilding; rather, it advocates for reconceptualizing the mechanisms through which environmental governance might contribute to peacebuilding opportunities. In particular, I propose reviewing whether a focus on social stability ultimately undermines environmental sustainability, and thus human security in the long term. These linkages will become ever more important to address and understand as humanity continues to face global environmental challenges that fundamentally threaten human security.
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440


443


Biography

McKenzie F. Johnson was born in Phoenix, Arizona in 1981. In May 2004, McKenzie received a Bachelor of Arts with full honors from Vassar College in Poughkeepsie, New York where she majored in Environmental Studies. In May 2007, she received her Master of Arts in Conservation Biology from Columbia University in the City of New York.


McKenzie has also received a number of prestigious fellowships, scholarships, and awards, including the Jennings Randolph Peace Scholarship from the United States Institute for Peace (2015), the World Politics and Strategy Fellowship from the Smith Richardson Foundation (2015), Fulbright-Hays Doctoral Dissertation Research Abroad Fellowship from the United States Department of Education (2014), the James B. Duke
International Research Travel Fellowship from Duke University (2014), the Lewis and Clark Fund from the American Philosophical Society (2014), and the Foreign Language and Area Studies Fellowship (FLAS) in Arabic from the United States Department of Education (2012). McKenzie was also selected as a James Buchanan Duke Fellow and a University Scholars (Gates) Fellow at Duke University. McKenzie was awarded a Nancy Skinner Clark Fellowship for Graduate Study from Vassar College in 2006 to conduct her Masters research.