

AN ANALYSIS OF THE INFORMAL GOLD MINING VALUE CHAIN IN GHANA: A CASE STUDY OF THREE MINING COMMUNITIES.

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Abstract

Informal gold mining in Ghana has become topical due, in part to the negative social, environmental, health, legal and the security impact on incident communities. Successive governments have implemented various policies to curb the upsurge of informal gold mining, but all have failed. The purpose of the study was to identify the antecedents of the sustainability of informal gold mining in Ghana. The study used both quantitative and qualitative methods of research to provide an in-depth understanding of the interactions within the informal gold mining industry.

The study tested the applicability of Porter's Value Chain and Broken Window theory in three prevalent communities. It emerged that, the industry, albeit informal, has well defined structures and units within the value chain. that the results of the study show that most policy recommendations have failed, perhaps due to the lack of meticulous steps to understand the value chain of the informal mining economy. Additionally, it was revealed that the current scope of stakeholders is not exhaustive when dealing with informal gold mining. The study asserts that the government's political will has a significant moderating effect on the sustainability of informal gold mining in Ghana. To deal with informal gold mining in Ghana, the research recommends that operational links within the value chain should be targeted. Furthermore, it was established that, the Broken Window is applicable in explaining the surge in informal gold mining in Ghana. This is because institutional ineptitude in the enforcement of relevant laws and interference by the executive political elite may have contributed in the upsurge of informal gold mining.

Key Words: Value Chain, Broken Window, Informal Small Scale Gold Mining, Security Strategy, Policy.