

Operationalizing the Sustainable Livelihood Approach: The strength and weakness in mining communities in Ghana

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Abstract

A major strategy which is playing an increasingly significant role in mining companies' Corporate Social Responsibility toward their host communities in Ghana has been the Sustainable Livelihood Approach. The approach has been popular to address the livelihood constraints and opportunities of local communities. This has by many been seen as a response to doubts on the effectiveness of modernization paradigm which emphasize structural transformation of the economy through industrial agriculture and downplayed the social development of rural areas with the notion that development will 'trickle down' to poor rural communities. This paper argues that although the Sustainable Livelihood Approach look inclusive and empowering, it has its own challenges in practice that require analytical attention and call for proper management. Empirically, the paper focuses on the measures taken by major mining companies in southern Ghana to protect vulnerability in their communities. I firstly present an analysis and critique of the concept Sustainable Livelihood Approach and its framework, and then assess the activities of the livelihood programmes in mining communities in southern Ghana in practice. The paper present a comprehensive review of potential strengths and weakness of the Sustainable Livelihood Approach, and conclude with policy and theory implications the case study entails.

One challenge that confronts society is to put theoretical ideas into practice to achieve our goals. One development analytical tool which has gained much attention in the last few decades is the Sustainable Livelihood Approach¹ (SLA). This is in the wake where Modernisation paradigm²to development has raised much question as to its effectiveness in reaching out to rural development (Hall and Midgley, 2004). This paper will argue that

¹ I have used the concept SLA to analyze all types of Livelihood Approach programmes such as Alternative Livelihood programmes and Livelihood Enhancement programmes.

² Modernization paradigm is an economic development model that considers rural communities as a source of support for urban-based industrialization through supply of goods, labour and an internal market. Through this means development will 'trickle' from the core to the periphery or from industrialised urban areas to poor rural communities (Hall and Midgley, 2004).

although the SLA may look very attractive in theory, it has its own challenges in practice. The paper attempts to present a comprehensive potential strengths and weakness of the SLA. However, the case study will provide specific insight into its potency and difficulties in practice. The case study will focus on assessing the measures taken by mining companies in southern Ghana as part of their Corporate Social Responsibility³ (CRS) to protect the vulnerability of the rural communities in which they have their activities. The paper will discuss the concept of SLA and then assess the activities of the livelihood programmes with principles of the SLA which include its focus on people, holistic approach to development and its macro-micro linkages (ibid). It will then conclude with policy and theory implication of the case study.

SUSTAINABLE LIVELIHOOD APPROACH- CONCEPTUAL AND TECHNICAL ISSUES

In the 50s and early 60s approach to rural development in developing countries was heavily based on modernisation paradigm, which focused on industrialized farming with imported machines for commercial purpose. However, the 70s had the taste of the model criticized for failing to reduce mass poverty and widening the gap between the rich and the poor (Sheperd,1998). The result has yielded a paradigm shift in theory and practice of rural development, in favour of people-centred development. One of the entrenched development discourses in this new paradigm is the concept of SLA, “which draws on a range of issues such as poverty, vulnerability, farming systems, participation and sustainable development” (Hall and Midgley, 2004:10).

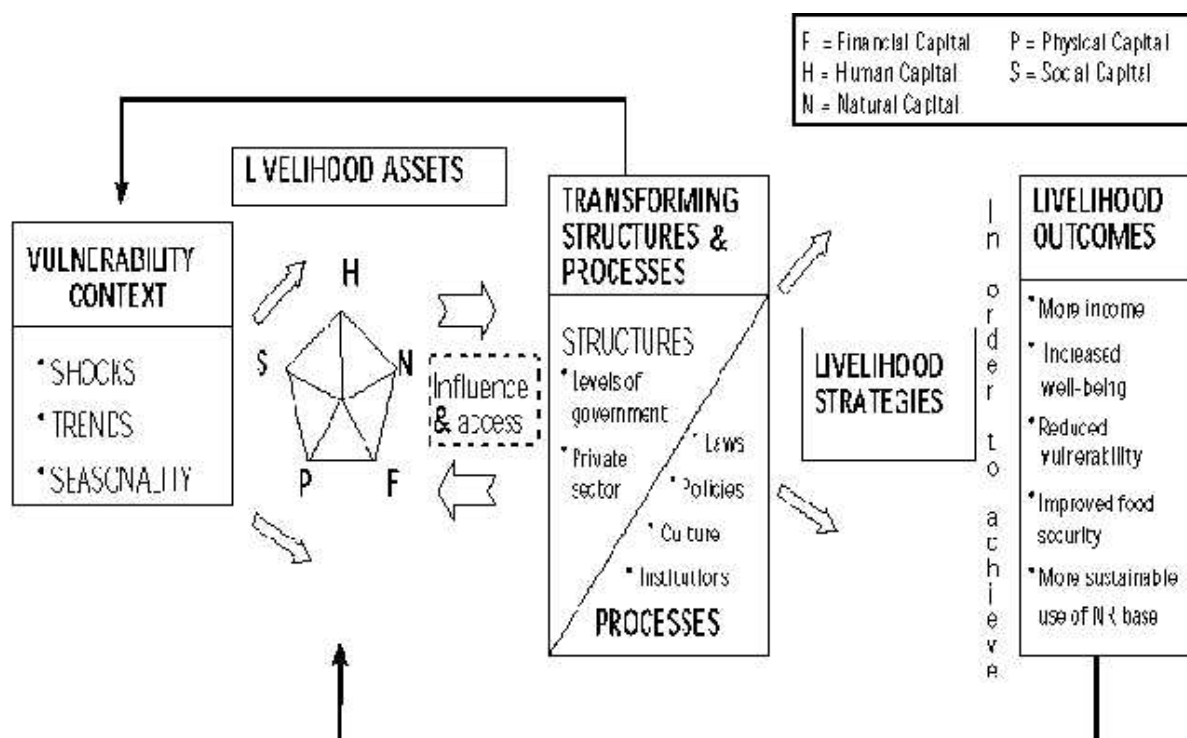
The notion of ‘livelihoods’ brings to mind the “means, activities, entitlements and assets by which people make a living” (Elasha et al, 2005:4). That is the things one draw on to make a meaning to life; they include the things in the environment like land and climatic conditions; social relation such as community, friends and family; knowledge and skills; and the physical things like roads and schools. The literature on what makes sustainable livelihood is quite unclear, because it is a composite of many ideas and interests from different stands in the development discourse although, there is often attempts to address contradictions and trade-off. (Scoones, 1998; Carswell, 1997).

³ Corporate Social Responsibility (CRS) refers to “a company's commitment to operate in an economically and environmentally sustainable manner, while acknowledging the interests of a variety of stakeholders and maximizing economic, social and environmental value” (Saheli,2009:65) The local community development initiatives by mining companies in Ghana are a major subset of their CRS agenda.

Therefore, when used in context there is the need to be clearly defined by all stakeholders (Scoones, 1998). By far the definition by Chambers and Conway (1992) is widely used by many

“ A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resource base” (Chambers, and Conway,1992:10).

Therefore, SLA embraces a holistic way of understanding and analysing poverty. It brings together a wide range of critical concerns in the development process such as gender, household, governance and farming process (Appendini, 2001). It helps practitioners to understand poverty from the view of the poor themselves and attempts to throw light on how to intervene in the already existing strategies of the poor in order to protect, maintain and promote their livelihood by focusing on their strength and then identifying their opportunities and constraints within their own environment to achieve a better and dependable means of living.



Source: Farrington et al, 1999

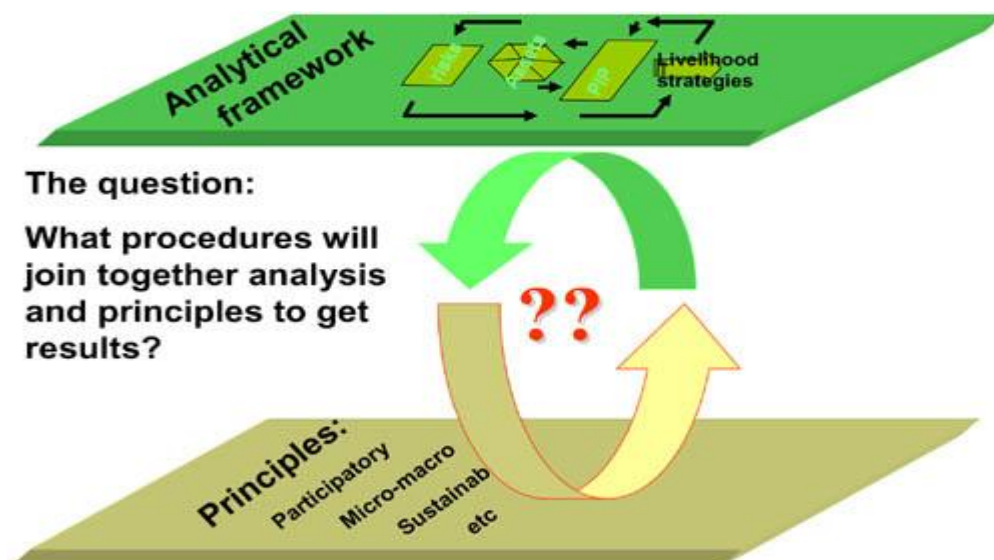
Figure 1: The Department of Foreign and International Development (DFID) Sustainable Livelihoods Framework

The DFID methodological Sustainable Livelihood Framework (Figure 1) is a typical analytical tool that enriches the understanding of the complexity of livelihoods and where there can be the best intervention.

The core principles of this concept are embedded in its focus on people, holistic approach and the macro-micro linkage it makes (Farrington et al, 1999; Hall and Midgley, 2004). That is, it assumes that to be able to effectively reach out to the poor, both at the national and community level, practitioners should give the maximum attention to what matters to them, how they construct their “day to day” lives within their own social environment in cognisance of their opportunities and constraints. It recognizes the fact that their means of life is affected by a wide range of processes and institutional structures, for which they adopt multiple strategies. The approach also brings to bear the linkage between macro and micro activities that impact on people’s means of living. For example, a better national transportation network could increase household income because farmers are able to get good deal for their produces.

Nevertheless, many have raised critical concerns about the concept and DFID⁴ Sustainable Livelihood Framework. Livelihoods analysis is far more dynamic than what the DFID framework present (Haan, 2006). Hall and Midgley (2004) argued that the absence of political capital within the livelihood assets can in no way be “synonymous with social capital, which does not necessarily involve politicized behaviour” (Hall and Midgley, 2004: 98). The concept embraces a lot of ideas and interest. However, as an approach in policy design and implementation, practitioners need to operationalize it to be able to use it. There is also the need to have a “methodological framework, and a working concept that may be translated into qualitative and quantitative variable” (Appendini, 2001:24). Indeed, the Food and Agricultural Organization (FAO), one of the main agencies that use this approach as a diagnostic tool for project formulation rightly observed that a major challenge for this concept is how to move from just giving analysis of livelihood to producing an action-oriented methodology for practitioners as depicted in figure 2.

⁴ DFID framework is a common analytical tool used for livelihood analysis by development organisations.



Source: FAO (2004)

Figure 2: Showing the gap in the use of Sustainable Livelihood Framework

It is therefore limited in its ability to give a clear cut operational framework for practitioners to achieve its core principles, that is, its focus on people, holistic approach and the emphasis on macro-micro linkages it brings to bear for development. Does it also mean that all of these principles need to be achieved in a sustainable livelihood programme? Toner et al (2004) have argued that all the principles of SLA are required for a programme to achieve its full objectives of sustainability. Furthermore, Hall and Midgley (2004), argues that, there are “significant potential operational and procedural problems in this methodology”. It requires far too many practitioners from a wide range of disciplines, which has its own political implications; is time-consuming and expensive compared to other conventional methods like the top-down approach⁵. Others also consider it to be very “micro-focused and too incremental, ignoring deep seated structural barriers to change” (ibid, 2004:106).

LIVELIHOOD PROGRAMMES IN MINING COMMUNITIES IN GHANA

A major concern of mining in Ghana is its relationship with the communities in which mining companies operate especially relating to livelihoods of the surrounding communities. This is especially because of the extent of poverty and illegal mining in these communities (Dignum, 2006). Major mining companies including Newmont Ghana Limited, Gold Fields Ghana,

⁵ Top-down approach is a development model that emphasizes on central planning (Hall and Midgley, 2004). Development is “done on the people” by professionals

Golden Star Resources, AngloGold Ashanti Limited and Chirano Gold Mines in an effort to alleviate these problems have initiated livelihood programmes. Gold Fields Ghana spent nearly \$85 Billion between 2000-2007 on impacted communities and in 2005, the company launched a 5-year "Sustainable Community Empowerment and Economic Development (SEED) programme" for Tarkwa and Damang mines (Anaman, 2008). SEED emphasize on a partnership strategy by key stakeholders such as communities leaders, district assembly, private sector and local and national government for development. Also, AngloGold Ashanti among its CRS programmes prides it self with the Obuasi Malaria Control Programme which was based on World Health Organisation (WHO) guidelines, which Anaman (2008) asserts proved successful in the fight against malaria in Obuasi mines and associated communities in 2006. Again, The Iduepriem mine by the Anglogold Ashanti through its Stakeholder Engagement Action Plans (SEAP) work together with the eight host communities for better livelihoods outcomes. The Iduepriem mine provides tertiary scholarship to 10 students every year and its Hand-in-Hand programme has reach out to 1,050 since 2005 (ibid). Newmont Ghana Gold Limited working together with Opportunities Industrialization Centres International (OICI) has set up the Ahafo Social Responsibility Forum which consists of traditional leaders, nominated youth leaders; local NGOs among other stakeholders, which seek to enhance the livelihoods of impacted communities (ibid). The Livelihood Enhancement and Community Empowerment Programme- (LEEP) is another major initiative by Newmont to protect the vulnerability of communities in Akyem (OICI Annual report, 2007).

However, how have these programmes in their bid to protect, sustain and enhance the livelihood of these communities been successful in terms of living by the fundamental principles of SLA: focusing on people, holistic in approach and emphasizing on the macro-micro linkage, in their programme design and implementation? The case study will draw examples from programmes by three of these companies namely AngloGold Ashanti Limited, Newmont Ghana Limited and Goldfield Ghana

Focus on people

One of the first step in the design of the programmes is the recognition of the community strength and assets, that is what they as communities can do with their capital base such as land, social norms, participation and value, traditional institutions, to design projects like duck and rabbit farming; cloth making and honey production which aims to build their capital and reduce their vulnerability (OICI Ghana Annual Report, 2006). There is

generally great emphasis on community participation and empowerment throughout the various stages of these programmes. Household survey, stakeholder analysis and consultative meeting with the representative of the people which include the traditional leaders, youth, women and NGOs representatives and other stakeholders are carried out to make up the core of these programmes (AngloGold Ashanti Report,2005). For example, Gold Fields Ghana, through its Foundation, Damang has a formalised Community Consultative Committee and The Iduapriem mines through SEAP provides three level for community engagement, the Community Consultative Committees (CCC); Community Liaison Group (CLGs) and the Monitory Advisory Group (MAG) (Anaman,2008) However, what makes up such committees and community participation may only be a political instrument to give a good image to the mining companies rather than addressing the interest. The question of who participate in such process is subjective and dependent on the approval of the company. In these community meetings, whose voice is heard most? Whose voice matters? Does everyone have an equal voice in the community? How does the composition of committee consider the gender dimension in decision-making powers which has implications for livelihood programmes (Guijt and Shah, 1998)? There have been many cases where vigilant civil societies such as the Third World Network have raised critical concerns but have been given far less attention (e.g. Akabzaa et al, 2008). The outcome of demonstration and brutalities that usually occur in these communities are evidence in the ineffectiveness of participation by the community (see figure 3 and 4).



Source: Owusu-Kwarteng, 2008

Figure 3: Farmers arrested for demanding compensation for the destruction of their crops by Abooso Goldfields Limited



Source: Owusu-Kwarteng, 2008

Figure 4: Demonstration by farmers to protect their livelihood

The approach assumes so much of community homogeneity and participation, “groups may appear to be cohesive community but may in fact be divided by conflicts” (Hall and Midgley, 2004:101) .This make it difficult to define ‘community’, hence ‘participation’. The interest of migrants in the community and may vary from natives. Conflicts in traditional ruling families are not uncommon in Ghana and conflict of landownership turns to undermine such livelihoods programmes (Dignum, 2006).

Moreover, others have argued that there are instances where community members have been patronised into livelihood programmes (National mining conference, 2004; Biesel, forthcoming). How people in the community are engage in the stages of project raise questions. In Anglo Ashanti malaria project, questions can be raise on how community member have been engage at each stage of the project.



Credit: Uli Beisel

Figure 5: A poster by AngloGold Ashanti for Malaria Project in Obuasi and its environs

For instance, a poster for the project in August, 2007 depicts a typical subtle coercion mechanism; the sentence on the poster “every house must be sprayed” is not legally binding (besides on the company’s property), but it made to look so in order to increase cooperation of the community. Despite the fact that project team members engage in constant and productive dialogue with the community and feedback is welcome on specifics of project, the community was granted only very limited say in the overall design of the project. This raises the crucial question if the main beneficiary in such projects is the centre of interest (Beisel, forthcoming). Also at the National mining conference (2004), the Adansi Traditional Council noted that before Anglogold-Ashanti, CRS policy which contain development initiatives for local communities as well, were made by management without any input from the community.

Holistic Approach

The SLA take on a holistic perspective, therefore livelihood programmes address poverty in a multi-dimensional way which is dependent on community driven needs and opportunities (Farrington et al, 1999). Livelihoods programmes such as the LEEP have broad based initiatives including human skills training, improving the quality of schools in the communities, micro enterprise development, agricultural intensifications and post harvest technology implementation (Newmont, LEEP Fact sheet). However, multiple projects by such programmes may not necessarily mean it is holistic. Although programmes analysis is

holistic or integrated, its implementation must not necessarily be multi-sectoral, (Hall and Midgley, 2004; Farrington et al,1992).What matter is that within the livelihood programme, opportunities and needs must be identified within the specific circumstance of the community and with community members rather than prescribed in advance or implement various projects under different sectors (Farrington et al, 1992;National Mining Conference ,2004). For instance, vocational education and skills training programmes under LEEP and SEED, although may lead to increase household income, it also reduce the vulnerability of young people to HIV/AIDS and high-risk occupation such as illegal mining.

Holistic approach also means one institution cannot take on the process of rural development (Hall and Midgley, 2004). Most of these programmes consider the role of multiply actors in the process. For instance, in case of Ayanfuri mines by AngloGold Ashanti the skills and support of various sector were drawn to set up the sustainable enterprises, they include the Ministry of Food and Agriculture propose to technical advise with regard to farming; the Fisheries Department, which also expected to give expert guidance on aquaculture projects using an old mine pond; and the Centre for Biodiversity Utilisation and Development (AngloGold Ashanti Report, 2005). In the LEEP and SEAP programmes there are partnership with NGOs, District Assemblies and other implementation agencies to execute it. This broad based expertise on board the programme, although may enhance it, there is also the temptation for conflict of interest among different actors.

Micro- Macro Link

The approach brings to the light the fact that to intervene in the process of livelihood there is the need to recognise the relationship between the individual or community and the wider context (Grindle, 1950 cited in Hall and Midgley, 2004). The major concern is how much support does these programme have in the context of their environment, and the wider agenda of government policy and activities? In these programmes there is emphasis to bridge the activities of the project with government and international effort to development. An example is the malaria project by the AngloGold Ashanti, which is a partnership project with relevant authorities and local communities (Anaman, 2008)

However, despite the major initiatives introduce by mining companies to alternate livelihood in these communities it has been limited by other activities such as illegal mining which give immediate returns than skills training projects. Contributing to this is the fact that there is no firm policy by government to tackle illegal mining by legislation and therefore these projects do not last long and are not able to achieve their targets (Dignum, 2006). The

interest of the state in these programmes are important, however governments are less willing to tread the path of putting right policies in place which will make them unpopular (Hilson, 2002).

These programmes are often short lived or just become showpiece. A case in point is Ayanfuri mines framing projects, the programme assist with assess to organised market when market cannot be found for their produce (AngloGold Ashanti Report, 2005), but the major concern is will this be sustained after the end of the programme?

CONCLUSION

The case study considered make explicit the strength of the SLA to satiate the ambitions of the poor by placing their view at the heart of the development process through their livelihood strategies. The approach gives clear understanding on how to intervene in the process; it embraces the participation and empowerment of the poor to take charge of their own development, however this comes with challenges.

Policy and theory implications

The livelihood approach brings together different perspective on poverty to analyze and explore means of reaching out to the poor through the policy formulation, implementation and evaluation, it drawn on various skills, institutions and structures to achieve its objectives. It gives a clear cut understanding of the challenges of rural livelihoods and how to intervene. By far the approach helps practitioners to draw linkages between the rural poor world view of poverty and that of policy and institutional change processes (Farrington et al, 1999).

Moreover, the approach is not 'stand-alone' in practice, it is integrative with other ideas and concepts depending on the context, such as the stakeholder analysis, participatory and rural appraisal tools and right- based approaches. It does not replace other development tools but compliment them by drawing out where existing methods or technique should be focused and bring forth it implication for the livelihood of the poor.

However these implications are not without any challenges for practitioner, there is the need for less cost effective mean of analysis that is able to reach out to the most vulnerable, which is necessary for a more effective policies and strategies for sustainable development. There is also the need to understand the conflict of access to resources and how they impact on their livelihoods and how it can be addressed (Farrington et al, 1999). Also, a comprehensive sustainable rural livelihood as a long term policy objective, have to recognise

the role of social protection in tackling livelihood shocks among the most vulnerable people like the sick, orphan and the aged in rural communities (Deverex, 2001; Hall and Midgley, 2004). Social protection mechanism for the most vulnerable is particularly important because they easily slip through these 'safety net livelihood programmes' and become the visible scar on programmes to tackle poverty in the community.

The state creating the enabling environment for mining companies to implement a better livelihood programme will be a way forward. Currently, there is no government policy in Ghana that mandate or guide mining companies to implement CRS programme for impacted communities (Boon and Ababio, 2009). There is the need for government to create a standard practice for companies to implement livelihood programmes that firmly ensures the principles of SLA.

SLA does not only feed the optimism of the intellectual but transcend into better ways of analysing and intervening in the livelihood of the poor in order to reach their goals, however this is without its own heckles as discussed. It therefore requires that such approach is well design and manage by practitioners to attain its full potential

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