

The question as to whether or not mining has been beneficial to host countries, will certainly linger on for a while. While civil society activists and anti-mining lobby groups argue that in spite of the rhetoric, mining companies leave host economies worse off, and communities dispossessed of traditional livelihoods, industry players want us to believe that mining is the best thing that ever happened to a nation.

This obviously is the reason the Executive Vice President of Goldfields West Africa, Mr. Alfred Baku wants government to go easy on new taxes being introduced in the sector. He says tax hikes are negatively impacting the mining industry and thwarting efforts to sustain operations. We understand, but we also know that in good times companies have not been fair with us in allowing us, the resource owners to enjoy equitable returns.

Of course, companies cannot be blamed for everything that has gone wrong with mining. For example, the failure of host governments to enforce their regulatory and environmental laws cannot be blamed on the companies; and again, the companies cannot be held responsible for perceived abuse or misuse of mining revenues by governments. It is believed that, if Ghana can position itself to capture just half of total supplies and services in its mining industry, it will earn much more revenue than it receives in royalty. Yet, the initiative to develop a framework for local content in the mining industry is being led not by government but industry.

The fact is, we can and should, as a country be doing more than just collecting rents from the industry. Available evidence suggests that countries that have managed to enhance their benefits from the exploitation of their resources are those who did not reduce their role in the industry to rent-collection but have themselves been active participants in the exploitation of their resources.

The trouble is, after over hundred years of mining, Ghana is still grappling with the development of a mining policy. Having a mining law without a policy is an anomaly that points to the fact that we are not, as a country, clear in our minds what we want out of our mining industry. Until we think through how we can integrate mining into the rest of the national economy, we shall never be able to reap the full benefits of mining.

Two years ago, the African Union adopted the African Mining Vision, a strategy for moving Africa away from being a source of unprocessed minerals towards the production of

value-added goods from its mineral resources. The vision is the product of the grim lessons Africans have learnt, part of which is the fact that, until we learn to mine differently, we shall remain caught up in the resource curse trap.

Recent reforms in Ghana's mining sector somewhat assuring, though we on this paper, recognize that without sustained advocacy and pressure from citizens these could all be rolled back. Also assuring, is the fact that, mining companies in Ghana appear eager to clean up their act. It all seems like a sudden realization of the importance to balance their interest in enhancing shareholder value with the country's interest to return increased benefits to its citizens, and to ensure the sustenance of the environment and livelihoods of its people.