



September 2023

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### Recommended Citation

Issifu, A., Essuman, M., & Dade, F. (2023). Doing business and contributing to conflict prevention and development in Ghana. *Journal of Global Business Insights*, 8(2), 95-109. <https://www.doi.org/10.5038/2640-6489.8.2.1170>

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### Revisions

Submission date: Jan. 4, 2021; 1st Revision: Jan. 28, 2021; 2nd Revision: May 3, 2021; 3rd Revision: Oct. 10, 2021; 4th Revision: Feb. 24, 2022; 5th Revision: Feb. 26, 2023; Acceptance: Mar. 3, 2023

# Doing Business and Contributing to Conflict Prevention and Development in Ghana

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## Abstract

While some scholars argue that companies implement corporate social responsibility (CSR) for altruistic reasons, to gain an advantage over rivals in the industry, to enhance corporate reputation, and to be seen as ethical for addressing environmental and socio-economic difficulties, other scholars view CSR as unnecessary. These scholars argue that CSR initiatives adversely affect corporate profits. The understanding of this phenomenon remains incomplete, especially with the lack of empirical understanding about why corporate bodies execute CSR in spite of their primary goal of maximizing profits. To better understand this gap in knowledge, this case study of the Newmont Ghana Gold Limited (NGGL) ascertains why the company implements CSR in the mining communities they operate. This study contributes to the debates on CSR and the global call for businesses to address societal problems. Navigating the qualitative research approach and human-needs conflict theory, this study discovered that despite its voluntary application, failing to implement CSR would have prevented NGGL to have the social license to operate, and violent and nonviolent conflicts would have occurred. The study also found that CSR was implemented to address the fundamental needs of host communities adversely affected by mining. Together, these results suggest that CSR is treated as a conflict prevention and development initiative. Therefore, the study recommends that CSR be made mandatory.

**Keywords:** Asutifi North District, corporate social responsibility, conflict, development, Newmont Ghana Gold Limited, mining

## Introduction

Corporations play pivotal roles in promoting social and economic development through the taxes they contribute to government revenue. Large-scale companies in the extractive industry contribute to economic growth in both developed and developing countries (Ansu-Mensah et al., 2021; Ghana Extractive Industries Transparency Initiative, 2019). Similarly, artisanal and small-scale mining enterprises play a more important socio-economic role in rural and peripheral areas where there are minimal opportunities for income-generating activities (Hilson, 2009). Hence, the contribution of mining firms to any country's economy is invaluable (Yaping & Bossman, 2021). Multinational corporations in the extractive sector in Africa have stimulated favorable economic

outlook and development. For example, gold mining companies in South Africa employ 56% of the mining workforce and contribute 27% of mineral revenues to the government (Mbendi, n.d.). In the whole of the Southern African Development Community region, artisanal and small-scale mining has offered employment to over one million people (Drechsler, 2001; Haundi et al., 2021). In West Africa, gold resource in Ghana accounted for 96% of all mineral revenues in 2017 (Ansu-Mensah et al., 2021; Ghana Extractive Industries Transparency Initiative, 2019) and according to projections, seven mining companies in Ghana will contribute a total of \$940 million in 2022 (i.e., Golden Star—Wassa, Adamus Resources, Chirano Gold Mines, Gold Fields operations in Damang and Tarkwa, Newmont Ahafo, and Akyem) equivalent to 1.3% of the country's GDP (International Council on Mining and Metals, 2015).

The economic contributions of mining companies to the economy often come at a cost to the communities they operate in. The presence of multinational mining corporations has enhanced Ghana's foreign investment portfolio. On the other hand, the livelihood of communities, the environment, and human rights have all been severely harmed by mining corporations. The constant disruption of livelihoods; marginalization, exclusion, and poverty; displacement of local populations; and the disruption of time-honored social and cultural practices from mining activities are worrisome for many mining communities (Agbesinyale & Inkoom, 2014). Particularly, the use of chemicals like mercury and cyanide by some mining companies in Ghana has caused land degradation, contamination, and loss of agricultural lands on which rural folks heavily rely for their livelihood (Adu-Baffour et al., 2021) and has destroyed forested ecosystems (Barenblitt et al., 2021). In some notable communities in Ghana, these negative mining activities have been blamed for the onsets of conflicts (Issifu, 2017). These problems (especially the environmental pollution and destruction of livelihoods) have led to a series of violent and nonviolent confrontations between mining companies and the communities where they operate (Agbesinyale & Inkoom, 2014; Hilson et al., 2019; Marfo, 2019). A typical example was the 2005 conflict between mining firms and locals in Tarkwa, in Ghana's Western Region, which resulted in two fatalities and 13 injuries (Sticker, 2006). Consequently, Agbesinyale and Inkoom (2014) have questioned the impact of mining companies on economic development in Ghana.

In effect, in recent times, corporate social responsibility (CSR) has been used by some mining companies to address the negative effects of their operations, which has the tendency to ignite conflict (Issifu, 2017). This initiative is considered a responsibility and commitment businesses have toward society (Ansu-Mensah et al., 2021), and a duty to stakeholders and those who are impacted and influenced by business practices (Kowalczyk & Kucharska, 2020). The basic assumption is that obligations towards society include ensuring peace and sustainable development. Specifically, in 2006, the Newmont Gold Mining Corporation (NGMC), one of the world's leading gold mining corporations, implemented CSR initiatives in their operational areas. Among the 10 largest corporations worldwide, NGMC was the only corporation cited for deploying an overarching CSR in its areas of operation in Peru, Australia, Indonesia, Canada, and Mexico (Fernández-Llamazares et al., 2020; Jenkins & Obara, 2006). The corporation used CSR to address social and developmental problems caused by mining activities; including needs deprivation, environmental problems, loss of quality water and farmlands, and conflict over land (Ismail, 2009; Issifu, 2017).

In the past, classical thinkers saw corporations as self-supporting, self-contained, and self-operating entities (Ofori, 2007). However, in practice, corporate bodies interact with the external

environment for their growth and survival. Corporations depended on the environment for resources. They disposed of their output to the environment. They also relied on the environment for feedback (Opoku, 2011). Societies, on the other hand, relied on corporations for employment and for the goods and services consumed. This suggests that society and businesses interacted for survival, growth, and development. Nevertheless, confusion exists among scholars and practitioners over the rationale of businesses engaging with society in social ventures. Some scholars, including Friedman (1970) and Danielson et al. (2008), have argued in financial language that it was unnecessary, *useless*, and unwise to spend shareholder's money on the social course because as firms devote more resources to CSR initiatives, they incur more expenses and suffer a decline in net financial performance. In congruence, Vogel (2008) argued that social provisions did not affect financial performance in any positive or meaningful way and should be disregarded.

On the contrary, general explanations have been offered in support of CSR. The proponents posited that CSR enhanced corporate reputation (Abugre & Anlesinya, 2020; Carroll, 1991); maximized corporate profits, and boosted premiums in both market share and pricing (Fombrun et al., 2000; Hasan et al., 2018). It also created a competitive advantage, which led to a greater market share (Bond, 2018; Frynas, 2005).

Further, while CSR was a preventive measure against environmentally unfriendly business activities that could trigger violence (Issifu, 2017), it offered corporations the social license to operate (Hira & Busumtwi-Sam, 2018; Prno, 2013) and supported peacebuilding and postwar peace processes such as those in Colombia (López-Santamaría et al., 2017) and Cyprus (Appiah & Jackson, 2015). Despite some financial falters resulting from CSR implementation, its performance has large company advantages that can improve future financial performance.

The bulk of the literature on CSR in Ghana (Abugre & Anlesinya; 2020; Amponsah-Tawiah & Dartey-Baah, 2012; Ansu-Mensah et al., 2021; Hilson et al., 2019; Ofori, 2007) contributes to scholarly and policy imperatives. However, none of these studies provided empirical insights about why multinational corporations that were expected to maximize profits were at the same time implementing CSR initiatives. Hence, our understanding of this phenomenon is still incomplete. This critical knowledge gap is addressed in this study by unraveling the reason why Newmont Ghana Gold Limited (NGGL) implements CSR in their host communities in the Asutifi North District of Ghana. This study contributes to the discussion on CSR and the global call that businesses should contribute to solving societal problems which, in turn, is expected to promote international peace and sustainable development (Ansu-Mensah et al., 2021; Dhiman, 2012). Utilizing a case study design and qualitative research methodology for both the data collection and analysis, this study as underpinned by the human-needs conflict theory revealed that even though CSR is voluntary in Ghana, there would be a threat to peace that could retard development if NGGL was not supporting the host communities with social provisions.

Furthermore, the authors argue that holding a formal license from the government is not enough to mine under a peaceful context given the dangers associated with failing to hold a social license. Therefore, NGGL is supporting the welfare and basic needs of the communities affected by mining because they expect to establish their social license to maximize profits in a peaceful environment. This study is organized as follows: this introduction is followed by insights into mining conflict and CSR, then by the theoretical underpinnings. The methods used to conduct this study and the study findings are then presented. The concluding section provides a summary of the most

important issues, focusing on the theoretical and practical implications of the study, as well as its limitations and suggestions for future research.

## **Literature Review**

### ***Mining Conflict and CSR***

Conflict is a feature of human endeavor that cannot be entirely avoided but could be contained or transformed. Conflict results from competing interests between parties pursuing different goals (Oyeniyi, 2011). It is also the expression of violent attitudes and actions that harm the other party (Onyesom & Igbesi, 2015). In Africa, gold, diamond, and oil mining are major sources of intra-and-interstate conflicts. The oil in the Niger Delta of Nigeria (Omeje, 2006) and diamonds in Liberia and Sierra Leone (Ballentine & Sherman, 2003) are typical examples of conflicts rooted in natural resources. Also, the advantages and disadvantages of natural resources have an impact on mining disputes in Ghana. The violent clash between a Chinese mining firm and small-scale miners over the Gbane Gold Reserve in the Upper East Region of Ghana, and the violent incident involving mining firms and locals in the Western Region of Ghana which killed two persons and injured 13 others are all examples of gold mining-induced conflicts (Stickler, 2006).

Multinational mining corporations are increasingly using CSR to anchor conflict prevention and development. In South Africa, for example, gold mining companies engaged in extensive relationship-building and provided varying levels of support to the reconciliation initiatives during and after apartheid (International Alert, 2005). Similarly, even though CSR is voluntary in Ghana (Amponsah-Tawiah & Dartey-Baah, 2012; Ansu-Mensah et al., 2021), a substantial number of mining firms undertake some social interventions schemes aimed at enhancing peace, security, and development. Mining firms in the Western Region's Prestea Huni-Valley District (namely, Erdmac Mining Services and Karibiana Pools, AEL Mining Services, Rockshure International, and Golden Star Resources) have constructed a police checkpoint, provided electricity supply, and mechanized borehole at Tintimhwe for the Ghana Police Service (Issifu, 2016, 2017; Daily Guide, 2014). These initiatives were used to equip the police to combat crime and enhance peace and security in the district (Issifu, 2016, 2017), and are examples of what mining companies through CSR are implementing to support peacebuilding, security, and development (Doyle & Sambanis, 2000).

### ***Human-Needs Conflict Theory***

Conflict arises from basic human instinct, from the contest for resources and power, from perceived bias within social structures and institutions, and from class struggles. Needs are important for peace to prevail. They are inherent in other forces that can degenerate into conflict. Thus, a holistic view of how these layers of forces develop and respond to people's needs is effective in addressing conflict. Human-needs conflict theorists claim that the provision of basic human needs or removal of the hindrances to the actualization of basic needs could help prevent conflict (Marker, 2003). Human needs go beyond the physical (food, water, and shelter) which is also basic to essential psychological realms. Needs and conflict theorists, like John Burton, outlined specific needs which are mandatory requirements for peace settlements to be successful (Burton, 1990). These needs are not prioritized but rather sought after concurrently (Burton, 1990; Marker 2003). According to Burton (1990), these needs include stability and the absence of fear

(safety or security), self-perception in relation to the outside world (identity), an acceptance of one's own and other people's identities (recognition), family and community, and the need to realize one's full potential in all facets of life (personal development). The denial of these needs by the government, firms, organizations, groups, or individuals could affect the citizenry leading to conflict. These theorists also noted that conflicts—including those between mining companies and the communities where they operate—occur where such basic needs like water, food, and shelter are not subsequently met. Needs are irrepressible and cannot be compromised for a sustained period. And as they are drivers for survival and development, their denial will make violence the last resort for people in an attempt to preserve access to these basic needs (Faleti, 2006). Thus, when people are deprived of their needs, frustration sets in and conflicts arise.

Aggression is the product of frustration where a person's or group's legitimate desire is denied (Ogoloma, 2013). Therefore, the feeling of disappointment either urges the victims to blame those responsible for the denial of such needs or express anger through a violent approach directed at those considered responsible (Ogoloma, 2013). Gurr (1970) stated, "The greater the discrepancy, however marginal between what is sought and what seems attainable, the greater will be the chances that anger and violence will result" (p. 24). Acts by governments or social institutions intended to suppress needs will be fruitless or cause far more damage to peace in the future (Burton, 1990). The deprivation of community access to satisfying their basic needs because of how mining companies are taking over large tracks of land for mining, as well as the negative effect on their health, environment, and economic and social well-being are sources of violence in mining areas in Ghana. In an effort to address these problems, mining companies are now using the CSR approach to provide employment opportunities, food, shelter, social amenities (e.g., schools, hospitals, water, electricity), and alternative means of meeting basic needs as measures to enhance company-community relations (Arthur et al., 2017).

## **Methods**

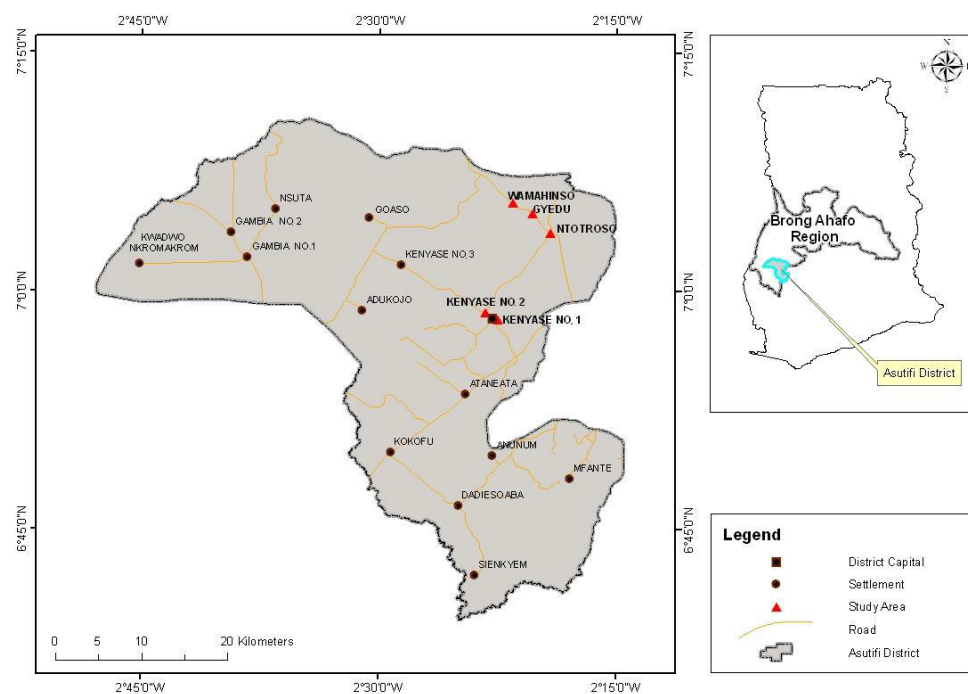
The study area, Asutifi North District, is located in the Ahafo Region of Ghana. The district is one of the smallest districts in the region with an area of 936.31 square kilometers. It lies between latitudes 6°40' and 7°15'N and longitudes 2°15' and 2°5'W with Kenyasi as the district capital. The population of the district stands at 52,259 with 26,761 males and 25,498 females (Asutifi North District Assembly, 2020). The three selected study areas in the district: Kenyasi No. 1, Kenyasi No. 2, and Ntotroso (see Figure 1) have a total population of 5,347, 11,444, and 4,703 respectively (Asutifi North District Assembly, 2020).

### ***Data Collection***

Between August 2015 and January 2021, data for the study was gathered from both primary and secondary sources. The study's qualitative methodology and case study design enabled a thorough investigation of the subject. In-depth interviews, focus group discussions (FGDs), and field observations were all used in the data collection and analysis procedures, all of which were conducted using a qualitative methodology. The 50 interviewees in total, drawn purposefully from Kenyasi No. 1 (15 respondents), Kenyasi No. 2 (25 respondents), and Ntotroso (10 respondents) are presented in Table 1. The purposive sampling technique was used to identify respondents from both formal institutions and community actors in the three communities who the researchers thought had ardent knowledge of the topic under study (Creswell & Plano Clark, 2011). Another

criterion used in the selection of the respondents was the number of years (10 years and above) those respondents have stayed in the communities. This criterion helped to gather data on the situations in the district before NGGL's arrival and their present existence. The interviews involved one-on-one interactions with the respondents and key informants. The questions asked were centered on the rationale behind Newmont's CSR practice, peace, corporate commitments, and community response. To gather varied perspectives about the subject matter, two FGDs consisting of 8-12 participants were conducted with some of the informants in Kenyasi No. 1 and Kenyasi No. 2. The youth leader in Kenyasi No. 2 assisted in organizing youths between the ages of 18-35 and the farmers' leader in Kenyasi No. 1 gathered farmers who had farmed for 10 years or more in the district. Moreover, the field observation technique helped see things directly relevant to the study. The transect walk tool was employed to observe the development and infrastructural projects executed by NGGL through its CSR initiative. Importantly, the field assistant took field notes and recorded audio of the discussions with the consent of the respondents to enable the study to obtain every relevant data.

**Figure 1.** Map of Asutifi North District Showing the Study Areas



Source. Asutifi North District Assembly, 2020

Documents and reports from NGGL, district assemblies, and the district's Ghana Statistical Service office were sources for secondary data, as well as documents and articles, academic books, journals, theses (both published and unpublished), and the internet were additional secondary literature sources. Using a discourse analysis tool, the data from the primary source were combined with the secondary data for the analysis to produce a reliable conclusion. Responses from the interviews and FGDs were first transcribed and discussed to make meaning out of the qualitative data. The transcripts were edited on several occasions to identify and minimize errors and ensure consistency with the interview guide as well as the FGD guide designed to improve the quality of the data (Kumar, 1999). The transcription was supplemented by additional data (specifically the field notes taken during the in-depth interview), FGDs, observations, and secondary data. The

discourse analysis tool was employed in analyzing data collected from in-depth interviews, from written texts, FGDs, field notes, and transcripts. Discourse analysis is the study of social life based on an analysis of written, verbal, and non-verbal expression forms (Potter & Wetherell, 1987). Prior to the main fieldwork, the interview guide was pre-tested at the Newmont Akyem Mine Project in the eastern region of Ghana to test the questions on the instrument for anomalies or confusion and to check the effectiveness of the instruments to ensure validity and reliability (Neuman, 2004). Finally, triangulation was necessary to authenticate the data gathered and increased the credibility of the research findings (Noble & Heale, 2019).

**Table 1:** Distribution of Respondents

<b>Community Visited</b>	<b>Respondent</b>
Kenyasi No. 1	<i>Formal institutions:</i> One Newmont Ahafo Development Foundation (NADeF) staff, two NGGL workers, two police officers, one District Assembly (DA) member. <i>Local participants:</i> One sub-chief, two elders, four community members, two youth group members and a focus group discussion for farmers.
Kenyasi No. 2	<i>Formal institutions:</i> Two NADeF staff, three NGGL staff, three police personnel, two DA members. <i>Local participants:</i> One chief, three elders, five community members, three farmer group members, three youth group members, and a focus group discussion for the youth.
Ntotroso	<i>Formal institutions:</i> One NGGL worker, two private security personnel, one DA member. <i>Local actors:</i> One elder, two community members, one women group member, and two youth group members.

## Findings

### *Rationale for Newmont's CSR Practice*

Although there is no legal document or policy demanding compliance with CSR in Ghana (Amponsah-Tawiah & Dartey-Baah, 2012; Ansu-Mensah et al., 2021), mining companies are required to compensate communities for property loss, forest and farmlands destruction, water pollution, and land degradation due to negative mining activities. This study was interested in unpacking reasons why NGGL practices CSR in Ghana. Data from the interviews indicated that NGGL performed CSR to ensure the replacement of some of the host communities basic needs negatively affected by mining activities.

Mining operations disrupt traditional socio-economic activities, and cause environmental damages in the host communities, particularly to water bodies. Newmont considers that such challenges could trigger violence over scarce water competition. Based on that, we have constructed a mechanized borehole water source at Afrisipakrom (NGGL Staff in Kenyasi No. 1, September 8, 2015).

Newmont admits some of its mining operations have had a devastating effect on the lives of the community people near the mining site. For instance, lands previously or potentially used for farming have been swallowed up by mining operations, creating situations of increased food demands and prices in the district. Consequently, the NGGL's surface mining project in the district has already adversely affected the farming settlements with nearly 10,000 people displaced and livelihoods destroyed during the initial phase of the project in 2000 (Armstrong, 2008). Also, farm sizes have been reduced and relocation has compelled farmers to travel long distances to their



farms (Tenkorang, 2016). These mining problems, if not professionally managed, can trigger further confrontations and subsequent violence. As a result, the study found that NGGL voluntarily integrates environmental destruction concerns in their social policy to freely give back to the community what they have lost. The goal is to negate potential conflict that could arise when the basic needs of the people, like water sources, were polluted by mining, chemical spillage, and shortage of food due to farmlands alienation. Therefore, NGGL treats CSR in the district as a response to the basic and welfare needs ruined by negative mining activities. Human-needs conflict theory and Frynas (2005) support the provision of basic human needs as part of CSR as it obviates frustrations, helps prevent confrontations and promotes community-company cordial relations.

Further, Newmont was keen on promoting the welfare needs of the communities affected by the mining. The welfare policy of NGGL acknowledges that when basic needs, including water, are provided, shelter and alternative livelihood sources are created, and violence could be prevented since the community is receiving basic needs. NGGL's admission supports the human-needs conflict theory. The literature showed that CSR in Peru, Bolivia, and Cajamarca mines of the NGMC have contributed significantly to conflict prevention and community development, without which violent conflict would have erupted due to negative mining activities (Issifu, 2017). These initiatives aimed at conflict prevention provide efficient and cost-effective solutions to the challenges businesses could face in hostile areas (Bond, 2018).

Another reason the NGGL practices CSR in their host mining communities was to be seen as socially responsible and ethically sensitive good citizens—and most importantly, to obtain the social license of the host communities to operate in a peaceful environment. One interviewer noted, “One of the key reasons why NGGL performs CSR in the district is to get the social license of the community in order to mine in a peaceful atmosphere without any hindrance” (NADeF Staff in Ntotroso, September 12, 2015).

Holding a formal license and legal document from the government was not enough for the mining company to work in a peaceful context given the dangers associated with failing to hold a social license. A social license refers to the ongoing acceptance accorded to mining companies by community members and stakeholders (Prno, 2013). The policy of CSR gives social legitimacy to the activities of mining firms. The social license was comparable to the concept of a social contract and as far as the communities negatively impacted by the company, there was a need for companies to obtain the consent of communities and social groups (Basu & Palazzo, 2008). Therefore, business enterprises agree that CSR contains sound ethics and provides social good, without interfering in the pursuit of profits (Abugre & Anlesinya; 2020; Ansu-Mensah et al., 2021).

In the mining sector, it is now commonplace that gaining an official license from the government to mine and meet the regulatory requirement was no longer enough. Cases of mining companies and their activities being hindered, interrupted, and shut down from an extreme event due to public opposition even after acquiring a formal license had been extensively recorded (Prno, 2013). The opposition to these negative mining effects have been numerous. The issues driving the opposition against mining included dust and noise pollution, risks to the quality and quantity of groundwater, high cost of living due to the presence of mine labor, and relocation of local communities for mine extensions (Moffat & Zhang, 2013). In effect, mining companies needed to obtain the social license of the local communities to avoid costly conflicts (Moffat & Zhang, 2013). Catalino (2002) agreed and added that due to their improper discharge of mine tailings, mining companies had

developed a negative reputation over time, and even though they had the approval of the government to operate, their activities could lead to mining-induced conflicts. Hence, the social license has been critical for a peaceful relationship between the mining firms and their host communities (Hira & Busumtwi-Sam, 2018; Prno, 2013). that the literature suggests that CSR is integral to obtaining a social license, without which mining companies may struggle to operate in a volatile setting.

### ***Peace, Corporate Commitments, and Community Response***

Peace is a critical public good and the basis for development. Peace provides a conducive atmosphere for survival, stability, and progress; there could be no meaningful development amid lawlessness and violence (Quantson, 2003). The absence of peace could constrain development activities by interrupting production and business activities and diverting development resources away from productive ventures. Peace, security, and stability were prerequisites for the economic development of any country (International Monetary Fund, 2006). However, natural resources or mining conflicts have been major hindrances to the development of many communities endowed with natural resources in Africa, and Ghana has been no exception. Adetula (2006) asserted that such conflict contributes in part to the perpetuation of misery and underdevelopment on the African continent. The situation was always worse because resources for development that could improve the quality of life of the population were channeled toward conflict prevention and management.

For instance, dissatisfaction with the activities of multinational oil companies in the Niger Delta region of Nigeria resulted in violent episodes leading to instability and increased social vices (Omeje, 2006). In that region, anger over the activities of the oil companies, who were accused of both environmental pollution and lacking a substantial CSR plan, resulted in violence (Omeje, 2006). The Shell Petroleum Development Company of Nigeria suffered substantial losses due to the instability in the region. To help build peace and foster security in the region, CSR was initiated by the oil companies. The initiative helped the companies avoid triggering or accelerating destructive dynamics to the mutual benefit of themselves and their host communities (Omeje, 2006). The provision of CSR programs and projects by Shell and other oil mining companies contributed to a sharp reduction in social banditry and frequent violence in the region (Omeje, 2006).

Similarly in Ghana, the execution of CSR initiatives brought relative peace between mining companies and their host communities, something which did not exist in most mining communities prior to its practice. Findings from this study showed that the CSR initiative by NGGL was a contributing tool for conflict prevention, peace, security, and development in the district. A respondent from Kenyasi No. 2 acknowledged this. But for the social amenities and welfare services provided by the NGGL such as the construction of water sources, clinics, scholarship offers, and electricity extension among others, conflicts would have erupted over issues of environmental degradation, pollution, and challenges in accessing other basic needs caused by the detrimental impacts of mining operations. The same respondent also noted, “Violent and nonviolent conflicts, including a series of organized demonstrations, roadblocks, and staff attacks, which in the past were a common phenomenon against NGGL’s operation, had reduced due to the effective delivery of social responsibilities to the host communities” (Sub-Chief in Ntotroso, September 5, 2015).

In a similar vein, the Kenyasi District Police Commander stated that NGGL, through CSR, supported the security services, especially the police, with logistics and equipment so they could keep the peace in the district. He further stated, “NGGL has provided vehicles and supply fuel free of charge daily. We are able to patrol all the communities, and this has enabled us to maintain peace and security in the district. Currently, insecurity, issues of stealing, property invasion, and violence have drastically reduced in the district” (Police Commander in Kenyasi No. 1, April 2, 2016).

This narrative reinforces Ostrowski’s (2014) definition of peace absence of violence or the apparent danger of violence against people and their property. Stealing was a breach of the peace because it was an act done without consent and such an act was a recipe for violence and insecurity. Therefore, NGGL’s continuous support to the police contributed to ensuring law and order in the district. Boamong (2012) also reported that police posts and other infrastructures were constructed in the district by NGGL through NADeF, which let the police do their job. The findings from the study suggested that without these social supports and the opportunities for alternative means of achieving basic needs by the NGGL, the community would have rebelled against the company and the police would have also been inefficient in maintaining peace and ensuring security in the district. These arguments are in line with the human-needs conflict theory, suggesting that the inability of human beings to access their basic needs was a precondition for conflict; hence, the provision of social responsibility initiatives by the NGGL in the district.

Mining businesses had been marred over the years by a negative perception of the adverse impact their discharge of mine tailing has had on the water, farmlands, forest reserve, and the quality of air (Catalino, 2002). Agbesinyale and Inkoom (2014) argued that increased socio-economic displacement of community members was often due to the loss of farmland, rising unemployment, and the high cost of living. Based on these challenges, this study wanted to ascertain how communities would react if NGGL did not voluntarily implement CSR. During an FGD involving the youth in Kenyasi No. 2, the participants disclosed that there would have been a negative reaction, including chaotic events if NGGL had not embarked on CSR. The participants mentioned that although CSR was not mandatory, there would have been cases of protests and barricades to interrupt NGGL’s operations. One interviewee opined, “Because the mining land is ours and has been passed to us from our ancestors, alienating us with just a one-time cash payment as compensation is not enough. Providing us with social services and projects for community development is a way of calming us down against any potential violence” (Youth Group Member in Kenyasi No. 1, March 8, 2016).

Despite the distribution of resettlement and compensation packages to the affected communities, without CSR, violence may have erupted. This suggests that giving only cash compensation for the loss of land to the affected communities was not enough to create the condition for peace. Hence, cash payment as compensation for mining-related problems is not the only solution. Therefore, mining companies should invest significant resources in the provision of social infrastructure including schools, hospitals, and most importantly, businesses and skills training to curtail waste in compensation paid (Issifu, 2017). Armstrong (2008) suggested that the well-being and coping mechanisms of rural communities shrink while shock increases when changes are initiated by an external host. The same could be said about the Asutifi North District residents, who have no influence over the mining company’s activities. Hence, they experienced unmitigated shocks from NGGL’s surface mining activities as an external host.

For example, in December 2003, NGGL discharged sewage from its treatment plant into the Asuopre River, which served downstream communities such as Ntotroso, Kenyasi No. 1, and Kenyasi No. 2. This challenge was beyond the community's control. Besides, health problems in the community have been linked to radiation exposure and the use of stocked water. Therefore, building clinics for healthcare, providing boreholes for water sources, creating employment opportunities to solve poverty problems, offering microcredit and loans for economic empowerment, and scholarships for vulnerable people as basic needs provision for both the miners and the surrounding communities was important for company-community relations in the district. In effect, basic needs provided by CSR were expected to take care of possible adverse reactions over negative mining activities. This was the standpoint of the human-needs conflict theory which argues that the provision of basic needs is a condition for preventing likely conflict onset.

## **Conclusions**

The implementation of CSR has gained traction recently, but we have lacked empirical understanding about why corporate bodies executed CSR when their primary goal was to maximize profits. The aim of this study was to ascertain why NGGL implemented CSR in the mining communities they operated in Ghana. Navigating qualitative research approach and human-needs conflict theory, this study concluded that although CSR was not mandatory in Ghana, violence would have likely erupted between the NGGL and the mining communities if the company had not embarked on CSR. These conflicts would have been triggered over the negative effects of some mining activities. Consequently, CSR initiatives were offered to provide or replace the basic needs of the communities affected by negative mining operations. Further, CSR enabled NGGL to gain or retain the social license to operate which, in turn, contributed to conflict prevention and sustainable development as expected.

## ***Theoretical Implications***

The study contributed to expanding the theoretical literature on CSR and the global call for businesses to address societal ills and environmental problems that their operations had created, and which had the tendency to ignite conflict. It did so by unpacking why NGGL implemented CSR in Ghana, which the bulk of the previous conceptual and theoretical literature on CSR rarely examined (Abugre & Anlesinya, 2020; Amponsah-Tawiah & Dartey-Baah, 2012; Ansu-Mensah et al., 2021; Hilson et al., 2019; Ofori, 2007). The theoretical arguments about the implementation of CSR presented a division among scholars and practitioners. One set, including Friedman (1970) and Danielson et al. (2008), believed that CSR is unprofitable and should be shunned; while the other set suggested that CSR should be promoted (Abugre & Anlesinya; 2020; Bond, 2018; Frynas, 2005; Hasan et al., 2018; Issifu, 2017; Ozdemir et al., 2021). However, this study did not intend to support or critique the two sets of contenders. Rather, it built on theoretical debates, focusing on the relationship between business and peace. Theoretically, this study suggested that the CSR program is a tool to avert violent conflicts and promote community development. Thus, given the negative impact that some mining operations had on community farmlands, settlements, livelihoods, and social cohesion, among others, the implementation of CSR helped to override these social and environmental problems which had previously demonstrated a tendency to cause violent and nonviolent confrontations between the firms and the victimized individuals and communities.

### ***Practical Implications***

Notwithstanding the relevance that CSR had on peace and community development, it was not popularly recognized in national laws and policy frameworks of many countries, including Ghana. From a practical perspective, CSR programs require government ministries, agencies, and departments with a mandate to regulate mining activities to enact laws and design a broad policy framework on CSR in Ghana. The law and policy framework should serve as a tool that would compel the practical compliance of CSR initiatives by other international firms, including those in Ghana's manufacturing and telecommunications sectors. Finally, CSR should not only be used to address problems created by mining firms themselves but should also be treated as a mechanism to give back to the communities where they operated in a substantial and meaningful way, grounded in accountability and transparency. Hence, CSR becomes a practical tool for the development of communities and not an opiate to dull their sensation and numb their reactions.

### ***Limitations and Suggestions for Future Research***

The first challenge faced in this research was getting initial permission, especially from the mining company, and the reluctance of some participants to provide research-related data. The sudden change in agreed time schedules for interviews by some respondents and financial constraints among others limited a smooth data collection process. Also, the results of such qualitative studies have generally been limited and it may be difficult to generalize the results to other settings. However, sufficient financial resources, good time management, and rapport with the interviewees were employed to address these challenges. Finally, given the importance of CSR in conflict prevention and development, this study suggests that further research investigates the interplay between CSR and peacebuilding. An in-depth examination in this area will contribute to business and peacebuilding literature away from the dominant discussion centered on corporations being socially sensitive to corporations being transparent and accountable in the peace process. This, as suggested, could have positive impacts on local ownership and sustainable peacebuilding.

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