

The Political Economy of Galamsey and Anti-Chinese Sentiment in Ghana

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Abstract: Recently, as Chinese engagements in Africa involve a diverse array of actors, including states, corporations, private and public ventures, individuals, and groups, Beijing's economic and diplomatic relationships on the continent have become rather variegated and complex. The colliding of these actors and varied interests/motives is also shaping the discourse of anti-Chinese sentiment, and consequently, socio-economic decision-making and policies in individual African countries. Lately, different Chinese migrants and operatives have been involved in unregistered and unregulated artisanal gold mining in Ghana (locally known as *galamsey*). The illegal mining activities have resulted in increasing conflicts and controversy within Ghana, including a series of mass deportations of Chinese migrants from the country. As the governments of Ghana and China carefully determine diplomatic responses to this situation in 2013, many Ghanaians, particularly in areas mainly impacted by these Chinese illegal mining activities stirred up anti-Chinese sentiments to pressure the government to act decisively. In this qualitative study, the research draws on unstructured interviews and information gathered in 2013 and 2014, from Ghana, particularly Awaso, in the Western Region — an area known for Ghana's major bauxite mine, currently operated by the Chinese, as well as increasing *galamsey* activities in surrounding areas. The article argues that in the bid to manage or quell the increasing anti-Chinese fervor and maintain Sino-Ghanaian economic and diplomatic interests, different political actors in Ghana have contributed to the diverse reactions towards the illegal Chinese miners, as well as the outcomes for some Sino-Ghanaian economic engagements.

Situating China in Ghana's Political Economy

"I don't blame the Chinese, I blame our politicians and local chiefs"
Resident of Awaso in the Western Region¹

Between 2013 and 2014, Ghana's relations with China gained much global attention through activities of Chinese illegal miners in parts of the country, and the uproar over the disbursement of the \$3 billion Chinese loan facility secured by the Ghanaian government in 2011. Though these situations have dogged recent Ghana-China engagements, China has always had constructive diplomatic and economic engagements with Ghana. The post-independent relationship between the two countries has evolved from a political ideological one to currently an economic pragmatic partnership. A framework for this relationship will be incomplete without looking back to the anti-imperialist struggle and the initiation of South-South

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<http://www.africa.ufl.edu/asq/v16/v16i3-4a5.pdf>

cooperation at Bandung, in 1955. Ghana (then Gold Coast) was one of the African countries that encountered China at the Bandung Conference.² Five years after Bandung, and three years after its political independence, Ghana officially recognized China, despite the very valued comradeship that Kwame Nkrumah had with the Soviet Union. To avoid any attempt at stirring up a Sino-Soviet contest, Nkrumah defined the ambits of this diplomatic relationship as mainly development and security oriented.³

As Nkrumah and the Convention People's Party (CPP) rode the populist wave into office as the first leader of the country, he began to scour for resources to build infrastructure and jumpstart a development agenda for a new Ghana—both of which fostered his own political plan. Aside the Soviet Union, China became a keen supporter of Nkrumah's statist development agenda. In 1961, Nkrumah agreed to a \$20 million, interest free loan repayable in Ghanaian exports—a better deal than was being offered by the Soviet Union at that time. In character with China's current relations with its African partners, Beijing also offered technical experts to Ghana. This was followed by another \$22 million pledge during the Zhou Enlai African tour in 1963-64.⁴ Secondly, as these resources enabled the government to invest in infrastructure and pursue other development goals, Nkrumah cautiously welcomed Chinese military advisors to also help strengthen the military infrastructure of Ghana and other neighboring countries. The growing Ghana-China fraternity came to a halt in 1966 when the Nkrumah administration was overthrown in a military takeover. The relationship soured as accusations of Chinese interference by Ghana severed diplomatic ties until 1972. Scholars like Ogunsanwo contend that China took advantage of Ghana's hospitality to advance its ideological interest and agenda throughout the Africa continent.⁵

Since the reestablishment of diplomatic relations in 1972, China's relationship has gradually evolved away from Nkrumah's socialist-statist ideological engagement to a more market oriented economic relationship. This economic relationship has evolved with political and diplomatic exchanges between the two countries, especially, as Ghana upheld the One-China policy. Apart from Zhou Enlai's visit, Ghana has later played host to high profile Chinese politicians such Hu Jintao and Wen Jiabao in 2003 and 2007 respectively. Ghanaian leaders have also returned these series of visits, from leaders like Jerry Rawlings, and John Kufour to the current leader John Mahama. These high level visits came along with economic benefits ranging from series of infrastructure loans, to business exploratory missions in both China and Ghana. Generally, most of the development support that Beijing has offered to Ghana in the post-colonial era has been in reciprocity for crucial diplomatic support that the latter had extended to the former, and also to maintain the fraternal links meant to exemplify and sustain the South-South cooperation initiated at the Bandung Conference in 1955. These include Nkrumah's campaign for the reinstatement of China at the United Nations, as well as Ghana's support during the border dispute with India in 1962.⁶ Later in 1989, the Rawlings administration also displayed some sense of solidarity during the infamous Tiananmen Square protests. As many African countries alternated political systems, China's diplomatic overtures were extended to different political regimes – from one party states, through military regimes to multiparty democratic states. Beijing had to adapt as the political landscape in Africa quickly moved toward democratization. In the 1970s and 1980s, about 85 percent of the governments across Africa had suppressed various forms of open political competition and in the 1990s the

institutions and their political stories started to change as 50 percent allowed elections, in which opposition parties were allowed to openly compete.⁷

So, political change or reforms have often been tied in simultaneously with economic reforms, a feat that Bienen and Herbst argue is difficult to achieve in Africa compared to other regions of the world.⁸ In Ghana, Beijing's support and funding of the socialist-statist agenda under Nkrumah's administration gave way to different development plans—most importantly the liberalization policies that took flight with the structural adjustment policies adopted by Ghana, especially in the 1990s. Ndulu et al. observed that government economic policy changed in the 1990s as the control regimes that characterized the immediate post independent era gave way to the “syndrome free” policies that were set to achieve economic growth and accommodate the forces of the market.⁹ Often described as the “model for adjustment,” Ghana's set of IMF/World Bank stimulated growth policies and arrangements in the 1980s followed Deng Xiaoping's reforms in the 1970s that led to the “Going Out” policy. This set the stage for a liberalized, natural resource exploitation, export driven, Ghanaian economy, and a transitional China ready for a global economic outreach. Hence, Beijing's support of the Ghanaian economy largely consisted of various forms of loan packages as development assistance, trade, and technical cooperation, especially since Ghana was then a non-oil economy unlike Nigeria, Angola and Sudan.

According to existing research, China's economic activities in Ghana have become varied and helped by the liberalization arrangements, these range from major mining operations to small-scale businesses—some of which are joint ventures with Ghanaian partners with many more unregulated. Some of the recent big projects include the Bui hydroelectric dam construction, which was to add up to a \$622 million, and an \$850 million agreement for a gas project between the Ghana National Gas Company and the China Petroleum & Chemical Corporation in Beijing.¹⁰ In spite of the selected attempts by few big Chinese companies to direct equity into Ghanaian firms, and sign partnership agreements such as Alcatel Shanghai's investment in Ghana Telecom and the international trade and investment partnership between Ecobank Ghana and Bank of China; most Chinese investments are small to medium-sized. Both the large Chinese businesses and small-scale private actors interacting with Ghanaian business counterparts and population, at various levels diversely serve as agents or actors of Beijing's foreign policy agenda. This is an effort that may threaten the coherence of China's foreign policy agenda in Africa, as different studies that refer to the varying impacts of paradiplomatic efforts among subnational actors have documented.¹¹

With the Ghana-China relationship characterized by the building up and rehabilitation of infrastructure to address Ghana's inherited and now collapsing colonial infrastructure, trade initiatives, aid and technical assistance, and the gradual growth in investments, the number of Chinese actors in Ghana has shown a steady increase. Apart from the Chinese diplomats serving in Ghana, large groups of Chinese continued to arrive in Ghana to implement infrastructure projects. For instance Baah and Jauch note that the construction of the Esipong stadium at Sekondi-Takoradi employed 150 Chinese out of a total of 230 workers employed at the project. The Bui hydroelectric project was pegged to attract over 3000 workers (of which the Chinese were the majority).¹²

Presently, with the increasing economic engagements between Ghana and China, the benefits from complementary contributions by the Chinese are often eclipsed by the competition with local businesses for the domestic market. Apart from the struggle over market, the presence of the Chinese in the Ghanaian economy has also introduced what Lee describes as globalization from below—the human trafficking and its concomitant prostitution, and increasing illegal mining activities in parts of the country.¹³ Axelsson and Sylvanus recount the complexities and hardships that the Chinese competition brought to the Ghanaian textile industry, causing some textile manufacturers to fold and thus leaving thousands of workers redundant.¹⁴ Lee provides harrowing accounts of trafficked Chinese sex workers in Ghana who were lured into this business with the promise of working in honest, well-paid jobs in Africa.¹⁵ The focus of this article is the menace and complexities that have swelled around Chinese involvement in “galamsey”—a local referent for illegal and unregulated artisanal gold mining in Ghana. Apart from the diplomatic difficulties created by the involvement of Chinese natives and operatives in a this underbelly of the Ghanaian mining industry, which for long has been a preserve of the poor and underprivileged local people, the environmentally destructive effects of the galamsey by both local and foreign agents have been well noted in various research.¹⁶

Even though the Chinese and other foreigners have been involved in this unregulated mining activity in Ghana for a while, from 2013 its nuisance became a full-fledged crisis. The onslaught of Chinese migrants, largely from China’s Shanglin County in China’s Guangxi Zhuang Autonomous Region invaded most gold rich regions in Ghana, to either engage in illegal extraction of gold by themselves or partner with locals.¹⁷ By law, Ghanaians can apply for licenses to operate small-scale gold mining. The Chinese as foreigners can provide resources for machinery and also the technical knowledge. This has led to series of joint ventures between the Ghanaians and the Chinese in which the latter have no legal ownership since their documentation for living and working in Ghana are mostly invalid.¹⁸ The fallouts from the Chinese galamsey crisis, which peaked in 2013, were widespread and transcended the locations that these activities took place, becoming a diplomatic disaster that impacted the politics and economics of Ghana-China relations.

Methodological Considerations

This article largely draws on interviews and information gathered in 2013 and 2014, particularly from Awaso in the Western Region—an area known for Ghana’s major bauxite mine, currently operated by the Chinese, as well as increasing galamsey activities in surrounding areas. As this qualitative study broadly emphasizes the interactions among different political actors and the resultant change in socioeconomic arrangements, it is framed around the evidence of the influences of the Chinese as external actors in shaping an unregulated economic activity and culture—galamsey—that is largely dominated by local actors.

To achieve the research objective, this work combines both primary and secondary sources. Published accounts and books on subject matter provided helpful secondary evidence. Primarily, information was gathered through unstructured interviews from respondents/participants that were selected through purposive and snowball sampling. It also includes general observation of the dynamics surrounding the activities of the galamsey operators, and the local populations that are impacted in both positive and negative ways.

There were two main groups of participants. The first group consists of key respondents made up of community leaders, traditional leaders or their representatives, and leaders of businesses. These interviewees were essentially selected through purposive sampling as their positions and roles in the community were key to their selection, and contribution of responses. The second group of respondents included the local inhabitants who partake in galamsey or are generally impacted by this unregulated mining activity. This group includes Chinese migrants who have come to engage in galamsey. These respondents were reached through snowball sampling, as one interviewee would usually contact other respondents or would bring in other respondents into an ongoing unstructured interview. In some cases, the local inhabitants or Ghanaians that were jointly working with the Chinese served as useful contacts to reaching their Chinese partners. This was extremely helpful given the tense nature and politicization of the galamsey crisis, especially in 2013 (which was the period most of the interviews were conducted).

In a two-month period in 2013, and series of follow-ups in 2014, the unstructured interviews were conducted with twelve key respondents and thirty-three interviewees within the communities (including Chinese migrants). Most of the respondents sought anonymity, and was also provided for those that did not. This is to protect the respondents from any impact(s) that their statements might cause, especially given that most of these individuals held positions and businesses that could easily be jeopardized by statements made during the interviewing process. Anonymity was particularly crucial due to the upwelling popular fury that was generated during the crisis that gained national and global attention. The predominantly male respondents requested anonymity to protect their livelihoods, since they were heads of household and breadwinners who saw the interviews as opportunities to vent their grievances over an ongoing menace—Chinese galamsey—but to stay out of the political frustration and popular anger that characterized this issue in 2013. Respondents that owned or managed businesses that benefit from Chinese involvement in this unregulated activity – hotels, restaurants, and equipment rental—were circumspect in their responses, to avoid public retribution or loss of business. The palpable anxiety and uncertainty of the situation was also reflected in some respondents' reluctance to agree to audio recording of the interviews. In general, the information gathered through the unstructured interviews and the observations provided a good basis for the evaluations and arguments of the political undertones and impacts that the actors had on the socio-economic environment in the communities as well as the country as a whole.

The Politics of Chinese Galamsey in Ghana

I have known these Chinese people (referring to a Chinese couple) for the past two years, since I started working for my uncle in this hotel. When they come to Ghana, they stay for about a year and then return to their home country with some gold. When they come, they rent and pay for the rooms for about six months at a stretch, but they hardly sleep in the rooms. They spend all of their time in galamsey. The stay, eat and sleep in the forest for almost a month. The only time you see them back here at the hotel is when the security forces come after them... We have a weak government that cannot control the Chinese, and with local people like us, that help them, Chinese galamsey will never stop.

Hotel Receptionist at Awaso, Western Region¹⁹

The above is an account rendered by a hotel worker and a resident of Awaso, a region that represents the fulcrum of two major mining economies—the recently discovered and celebrated oil fields in Ghana dominated by Western companies and the main bauxite mines currently run by the Chinese. At this location and surrounding towns and villages, like other gold rich areas in the country, there have been a surge of different actors, both domestic and foreign, involved in the unregulated and illegal galamsey activities, which has drawn mass public anger, and recently impacted Ghana-China engagements. At Awaso and surrounding villages, the Chinese have come to engage in the extraction of gold through artisanal mining, on a very small and unregulated scale. However, unlike the locals who use rudimentary tools like pick axes, shovels and head pans in their galamsey exploits, the Chinese have turned to the use of heavy machines such as excavators and the use of toxic chemicals in the refining process.

This practice is against Ghana's Minerals and Mining Act of 2006 (Act 703) which seeks to prevent foreign nationals from purchasing or mining on plots of land smaller than twenty-five acres, and a legal instrument that is meant to ensure that small-scale mining remains the preserve of the local population.²⁰ Additionally, the practice of galamsey has been connected to the extensive destruction of the environment through the pollution of sources of drinking water, which has been linked to myriad health concerns such as arthritis, respiratory failure, miscarriages, neurological problems and death.²¹ These excesses have been compounded by some of the violent acts that have characterized the clash and competition over land plots for galamsey purposes. Consequently, the deadly clashes have persistently stoked and increased public anger. However, culpability for the Chinese involvement and excesses of galamsey has been directed at both the Chinese actors as well as their Ghanaian counterparts. He Wenping, the Director of the Chinese Academy of Social Sciences agrees that low-level Ghanaian officials and businessmen have contributed to the nebulous nature of the legal perceptions of galamsey. He asserts that "Many times [Chinese miners] are not clear about Ghana laws since there are middlemen who bring them over and help them sign a contract."²²

Most research and reports on Chinese involvement in the galamsey crisis in Ghana vaguely bifurcate the blame on both Ghanaian political actors and Chinese diplomats and nationals. Nevertheless, the nuance overlooked by these reports and studies is the preponderant role played by the local and traditional political forces and actors such as the constitutionally non-partisan local chiefs, district assembly members, and community leaders that serve as conduits between the "corridors of power" and local people. Consequently, the activities of the Chinese illegal miners [and their middlemen] through the help of the local and traditional leaders are sustained by the existing frailties in the relationship between government monitoring institutions and the local/traditional structures in Ghana. These existing weaknesses that played out at both the national and subnational levels, aided by other given factors, resulted in complicated outcomes for governments in Beijing and Accra, especially, during the 2013 Chinese galamsey crisis in Ghana.

First, the increasing Chinese involvement in galamsey, and the attendant excesses of violent clashes, raids and death could not have happened at a worse time for the Chinese and Ghanaian governments, especially the latter. Amidst much promise and prospect, Ghana's then vice president John Mahama (now president) signed the first tranche of a \$3 billion loan with the

China Development Bank (CDB) in April 2012, and also had another \$6 billion loan in the works with the China Exim Bank. During the signing ceremony at the Kempinski Hotel in Beijing, then vice president John Mahama purported that, “With the current financial crisis, it’s very difficult to go anywhere in this world and get \$3 billion ... this is the single largest loan Ghana has taken; actually it’s the single largest credit facility to an African country.”²³ With such appreciation for this Chinese financial lifeline, which was meant for infrastructure development, Ghana proceeded to accessing the loan. However, after the disbursement of approximately \$600 million by 2013, the agreement hit a snag as demands for renegotiation of the terms based on the Ghana’s newly discovered oil resources remained contentious.²⁴ To further complicate a relationship that was under strain through the tug-of-war that had ensued over the \$3 billion, the galamsey crisis came to a head in 2013. This put the Ghanaian government in a rather complex and delicate situation as it was under pressure from the general populace to react to the increasing Chinese involvement in galamsey. The link between the two separate incidents in shaping Ghana-China relations was undeniable, as put by one Ghanaian government worker, “we are in a very tough spot...it is either galamsey crackdown or a big loan from China.”²⁵ After series of government efforts to deal with the Chinese galamsey operatives, including the deportation of 713 Chinese nationals—representing 67 percent of deportations and repatriations in 2013 (see table 1)—it simultaneously became clear that the three billion dollar loan disbursements had stalled, pushing now President John Mahama to admit that “China is changing its policy” and “looking more at projects that have the potential to repay over time.”²⁶ By the last quarter of 2014, Ghana found its way back to IMF for almost \$1 billion dollar loan while it explored other sources of funding to help finance the list of infrastructure projects, which were initially meant to be funded under the truncated \$3 billion Chinese loan agreement.²⁷ Clearly, the anti-galamsey efforts by the Ghanaian government, which complicated Ghana-China relations in general, also somewhat constrained a monumental step in Ghana-China economic engagement.²⁸

The second factor was the obvious mistrust that had developed between the masses and the newly elected National Democratic Party (NDC) government in Ghana. The local people and their traditional leaders in some of the areas hard hit by Chinese galamsey activities exhibited little faith in the government’s ability and willingness to stop the Chinese. For diplomatic reasons that included the promise of accessing Chinese financial resources for development projects in Ghana, the then newly elected John Mahama and the NDC administration faced a tough balancing act between domestic concerns and relations with China. The gradual and piecemeal approach of the government seemed to have developed distrust in the NDC government’s resolve to deal with the Chinese galamsey, which was perceived as a menace.²⁹ As sporadic clashes between locals and the Chinese galamsey operatives gained global media attention, Ghana’s government was pressured to act through several crackdowns by the security forces and subsequent deportations of the Chinese. These efforts on the part of the Ghanaian government were perceived as short-lived, and unresponsive to dealing with some of the Ghanaian officers and institutions that were complicit in Chinese galamsey operations. During interviews in Awaso, a local lamented at how the government was not doing much to stop the Chinese from exploiting their lands, by working through the local and traditional political structures. A middle-aged woman from Awaso frustratingly commented that “It is like

everybody is doing their own thing, the government doesn't mind our chiefs, and the chiefs and local leaders (including the member of parliament) are not working together...I know some of the leaders are getting money benefits, but guess who loses in the end?"³⁰

The seemingly uncoordinated efforts among the local government structures allowed some of the local and traditional leaders to extract financial incentives from the Chinese in return for security and cover during their galamsey operations within their community. An apparent loophole was the absence of any system to check or monitor the immigration permits and documents of the Chinese who arrive at these local areas to acquire concessions from landowners for galamsey or work with their Ghanaian partners. To some of the inhabitants at Awaso and surrounding communities, the government was not doing a good job; leaving them to find the antidote to stem the onslaught of Chinese wealth seekers who endangered their communities.

Country/Region of Origin	2010	2011	2012	2013
China	43	5	130	713
Rest of Asia	19	32	56	53
Africa	30	25	46	289
Europe	6	4	11	8
Middle East	-	-	-	1
North America	3	2	-	1
Total	101	68	243	1065

Table 1: Showing deportations/repatriations by the Ghana Immigration Services, 2011-2013
Source: Ghana Immigration Service, Annual Report 2014

The issue of Chinese galamsey, which unfolded in tandem with the \$3 billion loan saga also brought Beijing's well-known and often-touted foreign policy agenda in Africa under scrutiny.³¹ In the past decade, as China's engagements in Africa have expanded, it has been watched and scrutinized especially by Western critics who have been suspicious of Beijing's engagements in Africa.³² China has consistently and persistently evoked its cornerstone policy of non-interference in diplomatic relations with the developing world. Though the ethos of this principle has been repeatedly used to justify Beijing's inaction or otherwise in the international community, in practice, Beijing has had to defend its actions and that of its principal actors in Africa, which have been perceived as incongruous to the tenets of non-interference. This has particularly been so, as political regimes and economies change in Africa, along with China's expanding partnerships on the continent.³³ The illegal and unregulated involvement of Chinese nationals in galamsey in Ghana render a different image far from the noninterventionist, non-meddling partner that Beijing has continued to project in its diplomatic and economic engagements in Africa. Hence, any attempts that China made to contain the galamsey crisis were also to ensure the upholding of its core policy of non-interference, which came under intense scrutiny with such unwelcome accounts of reports of Chinese galamsey from Awaso, and other communities in Ghana.³⁴

Furthermore, the politics that ensued between China and Ghana during the peak of the galamsey crisis occurred in the shadow of the negotiations for the disbursement of the three billion dollar loan from the CDB. This loan was somewhat an indication of the maturity of Ghana-China engagement as well as a gesture to cement a relationship that has had its highs and lows through the decades from the 1960s. Conversely, the difficulties encountered by both states in reaching a deal with regards to the disbursement of the loan, which additionally stalled efforts to access the financial resources for a list of infrastructure projects earmarked by the Ghanaian government, also challenged a general rhetoric of China's provision of non-conditional loans to African economies.³⁵ The issue of Chinese non-conditional loans has been touted in juxtaposition with loans from Western financial institutions that mostly come with stringent conditions of economic and political reforms. A major disagreement on the terms of the China Development Bank loan, which was guaranteed with Ghana's oil, was China's insistence on \$85 per barrel as pay back price instead of the over \$100 per barrel proposed by the Ghanaian government. This is in addition to the commitment fees and a stipulation that offers 60 percent of contracts under the loan agreement to Chinese companies.³⁶ In Ghana, this loan and its legality was a subject of parliamentary debates and protests with the opposition party, the New Patriotic Party (NPP), accusing the ruling NDC administration of not using the appropriate political processes to seek parliamentary approval for the Chinese loan. Particularly, the opposition claimed the NDC government was breaching the Petroleum Revenue Management Act (PRMA), which stipulates that Ghana's oil cannot be collateralized for more than ten years.³⁷ As the debate over the conditions of the loan agreement and its disbursement became intense and partisan, it became distinctly clear that negotiations over the loan terms would stall its use, and hence the Mahama administration would have to look elsewhere for the resources. As aptly put by an investment banker in one of Ghana's premier investment houses, "China's loan sounds to good to be true, and now we know the hidden costs."³⁸

Galamsey and Anti-Chinese Populism

"My husband and me have all our paperwork, why these people hate us?
...We love this country..."
Chinese woman, Awaso³⁹

The above sentiment infuriatingly expressed by a Chinese woman who accompanied her husband to Awaso to work in galamsey, captures the tensions that were at play among the various actors, especially during the 2013 galamsey crisis. Fearing any form of local retribution or anger, she initially claimed her husband was working with the Awaso bauxite mine that is run by a privately owned Chinese company. The palpable anger expressed in some of the communities hard hit by the galamsey of foreign nationals like the Chinese was in stark contrast to the generally positive nature toward the Chinese in Ghana that has emerged out of various perception surveys. In a BBC World Service 2009 survey, for instance, Ghana was one of the three most favorable countries among twenty countries surveyed in terms of positive perceptions that ranged from 62-75 percent.⁴⁰ This is further corroborated by another 44 percent of Ghanaian respondents considering China's path to development as a very positive model – one of the top three countries with the most positive perception out of nine countries.⁴¹ A more

recent survey of global attitudes and perceptions by Pew indicates that 63 percent of the Ghanaian respondents see China as a good influence on the country's economy (3 percent more than the perception towards the U.S.).⁴²

Despite the embrace of Beijing as an exemplary influence through complementary gains like the infrastructure, and loan concessions, the competitiveness that is currently associated with the presence of the Chinese in some sectors of the Ghanaian economy (e.g., the textile industry) has contributed to a gradual upwelling of anti-Chinese sentiments in Ghana. Lately, increase in anti-Chinese sentiment can be correlated with Chinese involvement in activities like galamsey, especially as the Ghana government is often impelled by popular dissent to crackdown on the Chinese, which has mostly lead to series of arrests and deportations. Though galamsey is an age-old unregulated economy activity that has largely been the preserve of the locals, it is currently a representation of complex economic and political interrelationships between local Ghanaian inhabitants and foreign nationals like the Chinese – a nuanced nexus of global and domestic actors. The role of multiple actors and politics of galamsey are intrinsically, and broadly linked to the emerging resentment against the Chinese in Ghana.

To sum up then, galamsey depicts competition between the numerous Chinese migrants and local populations in economically challenged areas, similar to Awaso and surrounding communities in the Western region of Ghana. In some of the poverty-ridden, yet, resource-rich rural environments in Ghana, inhabitants are driven into galamsey as a means of survival, and this then convert these small mining concessions into complex and dangerous environments as the Chinese fight to protect what they deem as their legitimately acquired piece of mining concession. This nature of competition often ends up in a deadly contest.⁴³ Additionally, this fuels local popular anger, as the Chinese are perceived as usurping critical resources that are meant for locals in these low-income village communities.

A second source of popular frustration that fuels anti-Chinese sentiment is the ineffectiveness, and in some cases connivance of government institutions in galamsey issues. Ghana's Minerals and Mining Act of 2006 (Act 703) was enacted to replace the Minerals and Mining Law of 1986 (PNDCL 153), as a statute that prevents intrusions by foreign nationals in small-scale economic activities, which include unregulated ones like galamsey. In different situations, Ghanaian immigration officials and security forces take advantage of the existing laws to either cover up or exploit situations that involve vulnerable and frustrated Chinese nationals.⁴⁴ Hence, despite the illegal implications, this is one of the elements that have sustained the practice of galamsey, and essentially emboldened foreign actors like the Chinese. Undoubtedly, incensed by the blatant Chinese involvement in galamsey around the communities in Awaso, a hotel receptionist at one of the hotels which lodges some of the Chinese nationals engaged in galamsey lamented about the kick-backs and bribes that some of the local leaders are receiving from the Chinese galamsey operators. "It was rumored that some the Chinese recently paid a certain amount of money to some of our own local leaders...I know it is true" she opined.⁴⁵ More flagrantly, some of the local leaders have established small income generating ventures that rely on the activities of the foreign galamsey operators. Some of the leaders and elites rent out excavators, tractors, and standby generators, which are certainly beyond the very limited budgets of local galamsey operators. Thus, increased popular anger toward the Chinese nationals engaged in galamsey is concurrent with the frustrations regarding

an ineffectual government institutional set up, from top to bottom, which struggles to deal with a situation that has far-reaching implications on Ghana-China diplomacy.

Though the Chinese galamsey crisis was an immediate cause that easily stoked the challenges of a weakening Ghanaian economy, and visibly widening income gap between the rich and the poor, other proximate causes that contribute to anti-Chinese sentiment in Ghana include the incursion of Chinese traders and products into the textile industry leading to a near collapse of this once resourceful industry. The other two are the increased presence of the Chinese in unlawful business ventures like trafficking and prostitution, which directly flouts domestic regulations; and thirdly, the political and partisan uproar over the three billion dollar Chinese loan.

The challenges of Ghana's textile industry predates the recent Chinese galamsey problems as Ghana's embrace of the structural adjustment policies in the 1980s affected the textile manufacturing sector—an instance of the general ill effects of the manufacturing sector under the series of policy directives.⁴⁶ This situation was further exacerbated by liberalization arrangements adopted by the Rawlings administration through the 1990s. This increased competition as the deregulation measures implemented by the state opened up the market for foreign products. Ghana's textile industry was greatly impacted by Chinese competition. Quartey alludes to the thousands of workers that were displaced and factories that were closed down as a result of the liberalization policies.⁴⁷ Over the decade, the textile-manufacturing sector has experienced intense competition from cheap, low quality knock-offs textile prints from China, which ironically serve the low-income consumer base in Ghana.⁴⁸ The Chinese competition in the textile industry and the accompanying de-industrialization effects has generated anger across different parts of the political and economic spectrum—from politicians to local textile traders who can collectively convert the anti-China fervor into political gain. But this has yet to happen given the clear roles played by other Ghanaian actors in this rather intricate tale shaping the fate of Ghana's textile industry.

An issue that is connected to galamsey, and also undergirds the growing anti-China fury in Ghana, is the increasing and visible presence of the Chinese in shady business ventures—ones synonymous with Lee's "globalization from below," which accounts for the involvement of the thousands of Chinese migrants at the non-hegemonic level in African countries such as Ghana.⁴⁹ As Chinese economic activities increase in Ghana, with sectors like construction, energy, and communication experiencing a surge in Chinese labor, so do other associated economic activities such as the trafficking of Chinese women to serve in the sex industry. This is to meet the demand by the growing community of Chinese expatriate workers who are mostly away from their spouses and families for long periods at a time. An undercover report by known Ghanaian investigative journalist Anas carefully documents the modern day slave economic exchange that takes place between the Chinese perpetrators and their victims in Ghana. According to Anas, the Chinese women: "are lured here with promises of honest, well-paid jobs, only to have their passports and tickets confiscated... They are beaten and threatened with a high debt to be repaid only through the sale of their bodies."⁵⁰

Though such activity may be common among other nationals in Ghana, the current preponderance of several other acts of unlawful behavior by the Chinese, including galamsey, overwhelmingly draws local anger directed at the wanton disregard for the domestic laws and

regulations by Chinese nationals. In this regard, the response by the manager of a haulage company captures these sentiments: “I have been to Beijing, and I can say with complete certainty that there is no way I can get away with some of the things the Chinese do here in Ghana...They are taking us for granted by disregarding our laws and security services.”⁵¹ Such opinions reflect the palpable disfavor and compounding effect of recent unlawful Chinese behavior in Ghana.

Finally, the signing and disbursement of the three billion dollar Chinese loan was characterized by an impassioned discourse of fairness, timeliness and accountability of the loan agreement for Ghana’s struggling economy. Concurrently, as already stated, the heated and largely partisan debate in Ghana coincided with the growing dissent toward the Chinese garmsey activities across the country. With a goal of infrastructure development and investment in energy, the loan would have been a major complementary offer and attempt toward the deepening of Ghana-China ties. However, as the democratic processes of parliamentary debate, and questions from the media wrung out the details of the Chinese loan agreement, some argued that the loan was a bad deal from Beijing as the terms favored Beijing and exploited Ghana and its resources.⁵² Despite the contentious and partisan nature of the debate, with the opposition party, the New Patriotic Party (NPP), taking a vehement stand by abstention from the vote in parliament, one factor that united a large section of the Ghanaian public in opposition to the loan agreement was mistrust toward a Chinese structured financial deal. The rhetoric from the opposition political parties and groups gained much attention and traction in the light of the Chinese garmsey crisis. Though the opposition could not immediately thwart the processing of the loan agreement, the loan payment stalled as renegotiation terms failed. As various political actors continued to debate about the stalled \$3 billion Chinese loan, President Mahama made an about face toward a rather familiar course of action—turning to the IMF for almost one billion dollar loan that will certainly come with some restrictions and conditions.⁵³

Concluding Remarks

As Beijing continues to expand its resources and role in Africa, countries like Ghana will gain from complementary economic engagement, which includes the development of roads and other forms of infrastructure. Additionally, China’s emerging economy also serves as ready market for Africa’s natural resources. However, these complementary gains are often eclipsed by the local dissent and anger toward the competition between Chinese nationals and the locals in many African economies. Often, the nature of subnational China-African competition centers on the exploitation of critical resources like gold or oil in addition to the side-by-side competition for local market through general trade. The story of the inhabitants at Awaso and surrounding communities in the Western region of Ghana represents another emerging political economic discourse, which attempts to capture the nexus between local dissent and the foreign encroachment on crucial resources and market. However, the uniqueness in this case is underscored by the evolving complexity associated with China-Ghanaian relations, which has often been generalized and simplified by limited surveys and anecdotes in the Sino-Africa discourse. This article adds to a needed nuance in China-Africa research as it carefully and methodically offers some emerging insights through a country case study.

First, as China's effort to expand and sustain its activities in Africa grows and diversifies, so will Beijing's inability to control the myriad economic and political actors working in various African economies. In effect, this would endanger the brand that China has been assiduously trying to maintain in its economic and diplomatic engagements with African economies.⁵⁴ Furthermore, as these subnational actors related to China incur local anger and mistrust, as is the case of Chinese galamsey in Ghana, the resulting anti-Chinese sentiment often present huge diplomatic costs, as the masses in emerging African democratic polities pressure their governments to act. Secondly, most accounts of the anti-Chinese sentiment in Africa reported in the media often enable and urge Sino-Africa pessimism with lack of a clear emphasis on the connivance of local actors, making the reportage or research a tale of foreign exploitation of powerless or voiceless local dwellers.⁵⁵ In this particular Ghanaian case study, the role of local political and economic actors, specifically the alleged involvement of local traditional rulers and political representatives, underscore a less explored dimension in the development of accounts on anti-Chinese sentiment in Africa. To most of the locals interviewed at Awaso, the alleged collusion between Ghanaian political actors and their Chinese counterparts has further emboldened the galamsey operations, which led to the uncontrollable crisis in 2013 that necessitated the deportation of Chinese nationals from Ghana.

Finally, the Chinese galamsey crisis in Ghana and its attendant anti-Chinese fervor represent the impact of activities in the shadow of a competitively diverse international political economy – what Lee terms as “globalization from below” in developing economies.⁵⁶ In this particular case of China-Ghana relations, the involvement of Chinese nationals in galamsey is part of a broad account of the effect that sub-national elements have on foreign political economic relations among countries—emphasizing the effects of paradiplomacy in the developing world. At Awaso and surrounding communities in Ghana, different nationalities from various regions of the world—Europe, Latin America, and North America—are involved in galamsey activities. Nevertheless, the pervasiveness of Chinese nationals in this unregulated activity has become one of the dominant issues that define recent China-Ghana relations. For the locals who are either negatively or positively impacted by Chinese galamsey this underbelly of globalization has certainly contributes to an already dichotomously aligned debate between skeptics and optimists of China's growing role in Africa. As appositely put by a manager of a haulage company at Awaso, “the Chinese galamsey issue in Ghana represents the pluses and minuses of China's role in our economy...here at Awaso, people like us have jobs because of Chinese investment in the main bauxite mine, but the involvement of Chinese nationals in galamsey takes away from this point.”⁵⁷

Notes

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1 Interview with a driver at Awaso, Western Region, Ghana, May 2013.

2 Vang 2008.

3 Shinn and Eisenman 2012.

- 4 Ibid.
- 5 Ogunsanwo 1974.
- 6 Shinn and Eisenman 2012.
- 7 Bates 2012, pp. 224-31.
- 8 Bienen and Herbst 1996.
- 9 Ndulu B. J. et al. 2008.
- 10 Bloomberg News 2012.
- 11 Michelmann 2009; Hess and Aidoo 2016.
- 12 Baah and Jauch 2009.
- 13 Lee 2014.
- 14 Axelsson and Sylvanus 2010. Also, see Quartey 2006.
- 15 Lee 2014.
- 16 Armah et al. 2013.
- 17 Hancock 2013; Chengcheng 2013.
- 18 Chengcheng 2013.
- 19 Interview with a hotel receptionist at one of the few hotels at Awaso May 2013.
- 20 Parliament of the Republic of Ghana 2006.
- 21 Armah et al 2013, p.95.
- 22 Bloomberg News 2014.
- 23 Sanderson and Forsyth 2013.
- 24 Ghanaweb. 2014a.
- 25 During an interview at Accra, May 2013
- 26 Wayne and Hinshaw 2014.
- 27 Bax and Dontoh 2014.
- 28 Ghanaweb 2014c.
- 29 Modernghana. 2012; Ghanaweb. 2014c.
- 30 In interview with middle-aged woman at Awaso, May 2013.
- 31 Bloomberg News 2104.
- 32 Reuters 2011.
- 33 Aidoo and Hess 2015.
- 34 Xinhua 2013.
- 35 Chen 2016
- 36 Ghanaweb 2014b.
- 37 Hardus 2014.
- 38 An interview with investment banker, Accra, May 2013.
- 39 An interview with Chinese woman at Awaso, May 2013.
- 40 Rebol 2010.
- 41 Sautman and Hairong 2009.
- 42 Pew Research Center 2013.
- 43 Ghanaweb 2013.
- 44 Hille 2013.
- 45 Interview with a hotel receptionist at Awaso, May 2013.

- 46 Hutchful 2002.
 47 Quartey 2006
 48 Axelsson and Sylvanus, 2010
 49 Lee 2014
 50 Anas 2009.
 51 An interview with the manager of a haulage company, Awaso, May 2013.
 52 Modern Ghana 2014.
 53 Bloomberg News 2015.
 54 Hess and Aidoo 2010.
 55 Hess and Aidoo 2014.
 56 Lee 2014.
 57 An interview with the manager of a haulage company, Awaso, May 2013.

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