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Supervisor: Magdalena Bexell

Oil Management and the Resource Curse in Ghana: the role of civil society

Henrik Rundquist

ABSTRACT

The so-called 'Resource curse' has manifested in several resource rich countries in the African continent. When Ghana found oil in 2007, the finding was consequently accompanied by high hopes of economic growth and increased social welfare (blessing), but also fear that they oil would increase corruption and political patronage (curse). The resource curse literature identifies extensive checks and balances on the governing elite as necessary for overcoming the resource curse, and an active civil society is assumed to play an important part in this. Through qualitative interviews with civil society actors, this thesis aims to understand the role played by civil society in the management of Ghana's oil resources. The thesis concludes that while democracy in Ghana cannot ensure that the country escapes the resource curse, it has allowed the emergence of a vibrant civil society with real political space and legitimacy. Oil governance in the country however, lacks important oversight structures, partly due to gaps in the legislative framework, and partly due to executive dominance in Ghana's political life. This complicates civil society's role to monitor oil sector activity, and consequently to play the important role identified by the literature: to hold their leaders accountable.

Key Words: Resource curse, civil society, democracy, accountability, institutional quality, Ghana

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Abbreviations:

CSO – Civil Society Organization

CSPOG – the Civil Society Platform on Oil and Gas

EITI – Extractive Industries Transparency Initiative

E&PL – Exploration and Production Law

MP – Member of Parliament

NDC – National Democratic Congress

NDPC – National Development Planning Commission

NPP – National patriotic Party

PRML – Petroleum Revenue Management Law

RtIL – Right to Information Law

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1. Introduction

The discrepancy between the large endowments of natural resources in Africa and the continent's poor level of socio-economic development constitutes one of the big paradoxes in modern economic history. On a country level, the relation between natural resources and disappointing development outcomes becomes even more evident. Researchers argue, for example, that contrary to what would be assumed, natural resource rich countries tend to grow slower than resource scarce countries (Sachs & Warner, 1995); that capital intensive natural resources are a major determinant of corruption (Leite & Wiedmann, 1999); and that oil and mineral wealth have a negative impact on democratic development (Ross, 2001). The phenomena that resource rich countries shows slower, or even reversed, development compared to resource scarce countries has been labeled the Resource Curse, or, the Paradox of Plenty.

There are, however, many resource rich countries that are so called "growth winners" (Mehlum et al., 2006:1), which indicates that it is not the resources per se that cause dismal performance but rather the way they are managed. A generally accepted conclusion in the resource curse literature is that the quality of a country's institutional environment is the determinant variable for whether natural resources will be a blessing or not (see for example Mehlum et al., 2006; Robinson et al., 2006). For resource rich developing countries, this is ambiguous news. The good part is that an institutional environment can be subject to change, but the bad part is that natural resources are more likely to erode the political will for institutional reform. This has become especially evident today when knowledge about the resource curse exists in abundance, and plenty of recommendations exist for resource rich countries to counter the incentives provided by natural resource (see for example the Natural Resource Chapter, 2010; Humphrey et al., 2007), while few countries actually succeed in transforming their natural wealth into sustainable development¹. Technical knowledge exists, but political will and capacity are lacking.

With the resource curse firmly framed as a problem of governance, many proposed solutions consequently target the perceived governmental gaps in developing countries, identified most commonly as ineffective (or absent) accountability structures and lacking transparency (Kolstad & Wiig, 2008; Gary, 2008). Major international initiatives² that target the resource curse consequently aim to increase governmental and corporate transparency within oil and mineral management. The hope is that these initiatives will provide citizens in resource rich countries with enough information to hold their governments accountable and in this way ensure good governance. This, however, also requires better understanding the capacity and potential for civil society in particular countries to hold their leaders accountable (Carbonnier et al., 2011:248). The thesis at hand aims to contribute to such

¹ Chad is one recent example (see Gary, 2008)

² Extractive Industries Transparency Initiative (EITI) and Publish What You Pay (PWYP) are examples

understanding by examining civil society in Ghana, and the role they have played in the management of the country's recently found oil resources.

1.1 The Resource Curse

When Ghana hit commercial quantities of oil in 2007, the find was accompanied by both high expectations of increased economic and social development as well as fear that the finding would prove detrimental to the country's stable, yet relatively nascent, democracy (Gyimah-Boadi and Prempeh, 2012:94). As the resource curse literature demonstrates, both hopes and fears are in this case legitimate.

The resource Curse is most commonly defined as slower than expected economic growth by resource rich countries compared to resource scarce countries (Sachs and Warner, 1995; Mehlum et al., 2006; Gylfason, 2001). This is however slightly misleading as the resource curse, despite high GDP-growth, can manifest in poor human development and increasing inequalities (African Panel Progress Report 2013). A better way of defining the resource curse is perhaps "the failure of countries to benefit from their resource wealth" (Soros, 2007:xi), as this definition allows for other types of symptoms generally associated with large natural resource endowments: lower living standards compared to countries on similar income level (Ross, 2001 in Gary, 2009:10); poor governance including high rates of corruption (Weinthal and Luong, 2006:36; McFerson, 2010:340-1), and authoritarian government (Tarzi & Schackow, 2012:233), just to mention a few. For contextual reasons, it could still be useful to put forward one of the more common illustrations of the resource curse: "from 1960 to 1990 GDP per capita in mineral-rich countries increased 1.7 percent compared to 2.5-3.5 percent in mineral-poor countries" (Weinthal and Luong, 2006:36).

It is common in the literature on the resource curse to talk about 'natural resources' in general, but evidence exists that it is resources such as oil and minerals that have the strongest relation with deteriorating governance and poor economic growth (Kolstad and Wiig, 2009:5321). If nothing else is specified, 'natural resources' hereby refer to oil, gas and minerals.

1.1.1 Explanations for the Resource Curse

Even though the existence of a resource curse is generally accepted within the academic community, explanations for it diverge. A viable distinction can be made between economic and political explanations.

1.1.1.1 Economic explanations

The two economic mechanisms that are most commonly used to explain poor economic performance by resource rich countries are the Dutch Disease and fluctuations in oil prices (terms of trade) (Benner and de Oliveira, 2010:289). The Dutch Disease refers to when large inflows of revenues pressure the currency upwards to such extent that it negatively affects the competitiveness of industries in

other parts of the economy. Investments are then most productive in the natural resource sector, which increase the importance of this sector in the overall economic performance. When commodity prices are high, this does not have to be bad for the economic growth in a country, but once prices decline, the country will experience real economic problems if they have not used the windfall profits³ to diversify its economy (Costa and dos Santos, 2013:789).

1.1.1.2 Political explanations

In more recent research on the malperformance of resource rich countries, the economic explanations just mentioned are treated as symptoms rather than causes. Instead, the reason for the detrimental effects of natural resources on countries' economies is assumed to be due to political mechanisms (Kolstad and Wiig, 2011:196). The most common political explanation is that natural resources increases the value of being in power as it gives access to rents acquired through these resources. If the institutional environment (rule of law, accountability structures etc.) in a country is weak, incumbents will seek to consolidate power through political patronage or repression, which spurs corruption and other types of unproductive use of state resources.

Centralized models

Centralized models emphasize the role of the state. Governments receive revenues from the country's resources and can choose to spend them either productively with the national interest in mind, or unproductively, for their own personal winning. Robinson et al., (2006) argue that in weak institutional settings, politicians will use revenues to secure political support instead of investing them in growth-enhancing projects. Their political future, in other words, are not dependent on the efficiency of their political program but instead on how well they manage to pay off support, or repress their opponents. In countries with higher quality institutions that promote state accountability and a meritocratic bureaucracy, this possibility is constrained and political support comes from competent management of state resources (Kolstad and Wiig, 2009:5319).

Decentralized models

The other political model often used to explain the resource curse focus on rent-seeking behavior of people outside the political elite. The basic argument is that when rents exist in plenty, agents will try to maximize access to these rents instead of pursuing productive activities in other parts of the economy (Mehlum et al., 2006). The Resource Curse thus depends on the relative profitability of either seeking rents or being productive (Mehlum et al., 2006:3). According to Mehlum et al (2006:1), the relative profitability is determined by the nature of the institutions in a country, which can either promote "grabbing" or production. In their model there is no resource curse when accounting for the quality of institutions.

³ A windfall profit refers to huge unexpected incomes due to for example price spikes or supply shortage (<http://www.investopedia.com/terms/w/windfall-profits.asp>)

1.1.2 How they link together

A commonly proposed solution to the economic impact of the resource curse is economic diversification (Kolstad and Wiig, 2011). Natural resource revenues should in other words be used to underpin national development through investments in other parts of the economy or other areas of social life such as health or education. Again, however, this is a question of political will and capacity, and in a context where incentives are abundant for poor political governance, competent economic management seems unlikely. The core of the resource curse is, after all, that it undermines efforts for institutional change. Furthermore, competent economic management of revenues could even decrease the chances of incumbents to maintain power, as decreasing dependence on natural resources often equals decreasing economic power of the state. Industrialization and modernization are also often argued as drivers of democracy, as long as it is not “concentrated in industries based on immobile factors controlled by a small elite” (Kolstad and Wiig, 2012:200). Resource dependence can therefore be a deliberate political strategy by incumbents in resource rich countries (Dunning, 2005, in Kolstad and Wiig, 2012:200).

What the political models have in common is that they focus on how poor institutions encourage dysfunctional behavior (Kolstad and Wiig, 2009:5317). This is where civil society comes in, as an active civil society that monitor legal compliance and provide checks on state and non-state actors, are assumed to change behavioral incentives and constrain the power of the political elite (Carbonnier et al., 2011:248-50).

1.1 Significance and Research Questions

In light of the brief literature review above, two factors for overcoming the resource curse seem crucial: political will and capacity for public accountability. As shown, however, prospects for acquiring this in environments where it does not already exist are low, as natural resources strengthen the position of the elite relative to the people (Kolstad and Wiig, 2009:5322). Where there are no obvious gains for the political elite to ensure competent governance of the oil resources, genuine institutional reform is unlikely, as it is the people in charge who are less likely to benefit from such reforms. Does this mean the resource curse is untreatable? No, but it is not entirely clear how to initiate change. Again, current international initiatives propose increased transparency and accountability as the solution, and civil society activity is one of the channels identified as crucial for changing the behavioral incentives associated with natural resources (Carbonnier et al 2011; Kolstad and Wiig, 2008:529; Arthur, 2012:109). The role assumed by the resource curse literature and current international initiatives motivates a closer examination how civil society actors in resource rich countries engage in the management of those resources. The thesis at hand aims to make such an examination of civil society in Ghana, and the guiding questions of this research have been:

- *What is the role of civil society in the management of Ghana's newly found oil resources?*
- *What explains the role of civil society in the management of Ghana's newly found oil resources?*

1.2 Delimitations: Civil Society

One major concept in this research is "Civil Society". As many other concepts in the social sciences, it is a contested concept with a variety of meanings (see Scholte, 2007). Common for all definitions, however, is that they refer to actors or spheres outside both the state and the private sector.

It could be said that the definition used for civil society in this thesis is one by default, as civil society actors were chosen from an umbrella organization called The Civil Society Platform on Oil and Gas (CSPOG) that gathers civil society actors engaged in oil and gas in Ghana. Nonetheless, the final selection reflects a certain understanding of the concept. For example, the research as such is underpinned by an understanding of civil society as an actor, or a counterbalance towards the state. Also, all respondents represent an organization of some form, indicating that civil society is perceived as consisting of Civil Society Organizations (CSOs). The implication of this for the research is that it might miss an important aspect of civil society action that is done outside the organizational sphere, or outside the organizational framing of CSPOG. Traditional authorities lobbying for a certain amount of revenues to be allocated to their district, or environmental organizations arguing oil production should be abolished due to environmental concerns, are not included in this research. Civil Society, in this research, refers to those actions taken from members in CSPOG aimed to improve the quality of oil governance in Ghana.

2. The case of Ghana

The following paragraph will briefly describe the political context in Ghana and its petroleum fiscal regime.

2.1 The Political Context

Ghana has enjoyed democratic rule since 1992 and six elections. Two of these have resulted in peaceful alterations of power. The most recent election put the Ghanaian democracy at test when the electoral result was contested. No violent protest erupted, however, when the Supreme Court announced its verdict, and both opposition and government immediately accepted the decision. As a result, Ghana is considered as one of the more developed democracies on the African continent. Ghana is a constitutional presidential democracy, dominated by two major parties: the National Patriotic Party (NPP) and the National Democratic Congress (NDC). Party identification is strong, and the relation between the two parties must be considered as characterized by rivalry and mistrust (Brierley, 2012:425). According to Brierley (2012), this has consequences for Ghanaian political life as it seem to contribute to, and even entrench, executive (government) dominance over the

legislative (parliament). Through both the constitution and legislative tradition, the presidential office in Ghana has wide discretionary powers, and the President has for example the right to appoint his ministers from the legislative (Gyimah-Boadi and Prempeh, 2012:103). This provides for a conflict of interest situation: the voting behavior of Members of Parliaments (MPs) affects their chances of receiving a ministerial post. In combination with party majority, this has resulted in that very few bills issued by the government have been substantially altered (Brierley, 2012:425). Essentially, this means that an important mechanism for checks and balances of the executive is undermined, something that can prove negative as oil revenues enter the state budget (van Gyampo, 2011:60).

Afrimap et al. (2007:5) assigns some of the relative democratic success of Ghana to the country's vibrant civil society. Contributions by civil society ranges from input in policy dialogues, outreach to grassroots, agenda setting, and increased political participation. To increase their influence, civil society actors often join together in issue specific coalitions, something that has given civil society actors a legitimate political role in Ghana's political landscape. This role is also underpinned by widely accepted and implemented freedoms of expression and organization (Afrimap et al., 2007:5). In relation to oil management, over 100 civil society actors gathered in 2010 to establish the Civil Society Platform on Oil and Gas, a civil society coalition aiming to ensure good governance of oil resources (Gyimah-Boadi and Prempeh, 2012:97-8). Inspired by the bad experience Ghana has had with mineral extraction (no proper legislative framework exist) and the detrimental effect oil has had on its neighbor Nigeria, initial emphasis was on the development of the legislative framework to govern both production of oil and the management of the revenues (Manteaw, Interview nr. 5). Backed by several international actors, civil society, mainly through the CSPOG, has been able to successfully influence the Parliament to enact a Petroleum Revenue Management Law that reflect much of international best practices with regard to transparency and accountability (Manteaw, Interview nr. 5).

Civil society has not been as influential in the development of other laws, but they have still played a part. Several respondents refer to capacity building sessions they have had with the political elite on the content on the various other laws (Interview 2-8). Also, certain organizations have already commenced work to monitor governance compliance with the PRML (Boakye, Interview nr. 2).

2.2 The petroleum fiscal regime and legislative framework in Ghana

While the oil find in 2007 means that Ghana has to handle quantities of oil they are not used to⁴, the country is not new to the extractive industries. The country has vast experience from its history of gold production. This is not necessarily good news as the mining sector has been poorly managed and its contribution to the overall economy of Ghana has been questioned (Gary, 2009:9). Doing with oil what Ghana has done with gold would serve little for the socio-economic development of the

⁴ Small quantities of oil have existed in Ghana since 1971

country. Consequently, one of the main concerns of the government, international donors, and civil society, was to quickly update the petroleum fiscal regime. An Exploration and Production Law (E&PL), aimed at controlling oil exploration, development and production, existed since 1984 but was considered insufficient to meet the new environment (Gyimah-Boadi and Prempeh, 2012:97). A reviewed E&PL was proposed to the parliament in 2010, but was withdrawn due to lacking or nonexistent provisions of accountability measures. Had it been approved, it would have meant extensive discretionary powers to the Minister of Finance in the allocation and negotiation of oil contracts (Heller and Heuty, 2010:51). Still today, no E&P Law has been enacted which makes oversight of Ghana's actual fiscal regime difficult to oversee. Contracts are secret and no competitive bidding in the allocation of oil blocks exist, so negotiated terms and agreements are likely to vary from contract to contract (Gary, 2008:168). It is also worth mentioning here that the two main corporations active in the Jubilee fields (where oil was found) are multinationals: Tullow oil and Kosmos Energy (Gyimah-Boadi and Prempeh, 2012:95). It means that most revenues will accrue the government of Ghana through corporate taxes, royalties, licensing fees etc.

A second leg that governs Ghana's oil resources relates to how oil revenues should be spent. This is regulated in a Petroleum Revenue Management Law (PRML) from 2011 that essentially is a set of rules and regulations to ensure accountability in oil governance, sustainability of oil revenues, as well as to provide tools to encounter potential price volatility (Heller and Heuty, 2009:54). It states that all oil revenues should be transferred to a Petroleum Holding Account. From here, money is allocated either to the annual budget (counted from a benchmark revenue, 50-70%), a Heritage fund (minimum of 30 % of the remaining revenues), or a Stabilization fund (the rest)⁵. With the money allocated to the budget, the Minister of Finance shall, through consultations with the people, decide 4 priority areas in which the money can be spent. These priority areas can be revised every third year (Heller and Heuty, 2009:55).

The PRML also includes an oversight body staffed with representatives from civil society. It is called the Public Interest and Accountability Committee (PIAC) and is assumed to complement the oversight role of the parliament. The PIAC was a demand from civil society actors, and initially, the parliament opposed it. After intense engagement from civil society, it eventually stayed in the final draft of the bill, but it is now experiencing funding problems, as its funding mechanisms were not stated in the law (Boakye, Interview nr. 2). The PIAC, however, is only considered an additional oversight body, and an independent regulatory body was established through the passing of the Petroleum Commission Law. The new body does not, however, avoid executive control, as all members of the Petroleum Commission are President appointees (Gyimah-Boadi and Prempeh, 2012:100). Oversight is also

⁵ For a more detailed overview, see Heller and Heuty, 2009.

complemented by requirements stated by the Extractive Industries Transparency Initiative (EITI)⁶.

3. Method

It is not yet clear whether oil in Ghana will result in a curse or a blessing for the country's citizens. At this point, it is therefore not possible to exactly establish the role played by the civil society in relation to a result. This thesis focuses on their role this far, and how this role can be explained. Methodological implications of this is that it is the perceptions of civil society actors themselves that has been sought, as this gives the opportunity to better understand how civil society engage with their environment, and how this shapes their actions and strategies. A qualitative research design, built mainly on semi-structured interviews, was therefore considered appropriate. It allows the research to center on the perceptions and interpretations by participants, instead of solely facts and figures (Bryman, 2012:380).

3.1 Research design: the case study

The difference between using a case study as a research method and the mere limitation of a sample (may it be cultural, geographical or organizational) is, according to Bryman, whether it is the case itself, or the sample *within* the case, that is of primary interest (Bryman 2012:68-69). Using this definition, the thesis at hand is best described as a 'case study' given that much of the analysis of civil society engagement in the oil and gas sector in Ghana (the case) is based on the unique characteristics – economic, political, and social – that constitute Ghana as a country and as a culture (Bryman, 2012:69; Yin, 2009:18).

Case study research, however, is a contested type of research in the social sciences and generally implies significant methodological considerations, especially with regard to the testing of theories and the generalizability of results (see Flyvbjerg, 2006). Even though Flyvbjerg (2006) contest these assumptions it should be made clear that the thesis at hand does not aim to test any existing theory or hypothesis, and neither does it aim to generalize its results. What it does aim to do is to provide more detailed knowledge about the engagement of civil society in Ghana in the country's oil management. For this, the case study as a strategy presents several advantages compared to the alternatives, as the case study is assumed to generate in depth, context dependent knowledge and lets the researcher fully account for the complexities and particular nature of the case (Yin, 2009:18; Bryman, 2012:66).

3.1.1 The case: Ghana

The research at hand aims to study the role of civil society in the management of Ghana's oil resources. Even though the case is interesting by itself, Ghana provides

⁶ The EITI aims to increase transparency and accountability through full disclosure of taxes and other payments made by oil, gas and mining companies to governments (www.eiti.org).

certain characteristics not seen in many other resource rich African countries that make it interesting to research. Most prominently, at the time of the finding, Ghana was already a fairly consolidated democracy. This has not been the case in most other resource rich, African countries, so even if Ghana shares other aspects of political and social life with these countries, the country's democratic history provides a relatively rare entry point. Still, it is difficult to clearly categorize the case at hand in any of the types of cases identified by Yin (2009:47-9), and is perhaps better described as an intrinsic case study where the purpose is simply to gain better understanding of a case (Stake in Punch, 2005:144).

3.2 Data collection

Data was gathered during an eight week long field study in Ghana and consists mainly of semi-structured interviews. Secondary sources in the form of reports and academic articles have been used to complement, and to some extent verify, the information gathered from the interviews.

3.2.1 Sampling

There are numerous civil society actors engaged in the extractive industries in Ghana, but most of these actors are gathered in an umbrella organization called The Civil Society Platform on Oil and Gas (CSPOG). It is through this platform that most civil society activity directed towards Ghana's oil management has taken place, and the platform constitutes the basis for this research's selection of respondents. Seven individual membership organizations, one organization that recently applied for membership, as well as the chairman of the CSPOG were interviewed. By doing so, the views from both leaders and members are attained, which gives a more representative picture of how civil society perceives its role in Ghana's oil management.

When contacting members, a purposive sampling method were used, which is a strategic sampling method where respondents are chosen due to their relevance for the research problem (Bryman 2012:418). This was necessary in this research as 1) the CSPOG consist of over 100 actors, 2) most of these members are there simply to "add up the numbers" (Brobbe, Interview nr. 7), and 3) the research questions assume respondents with specific knowledge about Ghana's oil management and how civil society has engaged in it.

In the end, the purposive sampling of organizations was complemented by so-called "snowball sampling" where potential future respondents are recommended by previous respondents (Bryman, 2012:424). The choice of who to interview within the contacted organization depended most of all on availability, even though all interviewees were involved in the organizations' work on the extractive sector.

Admittedly, the material would have been more credible if complimented with the view of political and corporate actors. Currently, there is a bias towards civil society actors themselves. There is no easy way around this flaw in the material, but

additional sources correspond well with the picture provided by respondents, so there is no evident reason to mistrust information from the interviews.

3.2.2 Semi structured Interviews

Interviews were chosen as the main primary source of information as the purpose of the research calls for understanding the perceptions of the actors engaged. According to Yin, one relative strength of the interview is its ability to generate “perceived causal inferences and explanations” (2009:102). Additionally, the interview allows the respondent to look back in time in a way that for example participant observation does not allow.

Relying solely on interviews is not, however, optimal. Even though interviews provides a good opportunity to “see the social world through the eyes of the people that they study” (Bryman, 2012:399), it is difficult to argue the complete neutrality of the researcher (Flick, 2002:54). His or her before hand knowledge and understanding of the issue under research will influence the types of questions asked, and consequently the type of answers received.

Another major risk with interviews is that interviewees say either what the researcher wants to hear (Yin, 2009:102) or what he/she wants to be the conclusion of the research. The latter is a valid risk in the case at hand, as civil society actors are interviewed, directly or indirectly, about their own role in Ghana’s oil management. At the same time they are financially dependent on project based donor support, which continuation depends on available result. Respondents might therefore exaggerate their own importance, as it could be financially beneficial.

3.3 The material

Eight interviews with were conducted with nine different organizations/think tanks⁷. While all being non-profit organizations under the law of Ghana, two are categorized as Donor organizations:

- STAR Ghana
- IBIS Ghana

Two are categorized as Think tanks:

- The Ghana Center for Democratic Development (CDD)
- Africa Center for Energy Policy (ACEP)

Four are categorized as Non Governmental Organizations:

- Integrated Social Development Center (ISODEC)
- Northern Patriots in Research and Advocacy (NPRA)
- Ghana Integrity Initiative (GII)
- Friends of the Nation (FotN)

One is a coalition of civil society actors (of which all but NPRA are members):

- The Civil Society Platform on Oil and Gas (CSPOG)

⁷ For a brief description of the organizations, see appendix

The CSPOG is hosted by ISODEC and the chairman of the Platform is also the program coordinator of the extractive sector within ISODEC. That is why there are only eight interviews but nine organizations.

Interviews followed a similar structure, but additional questions were added to fit every organization. These additional questions were often informed by the information available on the organizations' webpages that described their actions and strategies relating to extractive industries.

Additional material comes from second hand sources. It includes both organizational reports as well as academic articles.

3.4 Data analysis

When reading up on the resource curse as well as when coding the interviews, two potential analytical entry points emerged: democracy, and the quality of institutions. It therefore seemed natural to focus on these two aspects when developing the theoretical framework, and when analyzing the material.

4. Theoretical framework

Section 4.1 will account for how a democratic political system is theorized to affect the existence of a resource curse. It will also briefly describe the role assumed by civil society in democratization theory. Section 4.2 focuses more on the relation between political institutions and the resource curse, and why civil society is an interesting part in this equation.

4.1 The Resource Curse and Democracy

If the main problem in resource rich countries is weak institutions that provide neither enough transparency nor mechanisms for accountability, it is natural to believe that democracies will have a better chance of escaping the resource curse. The argument would be that in a democracy, leaders are chosen due to their perceived capacity of increasing the welfare of its people, and that politicians are punished by elections in case they do not fulfill their promises. In a democracy there is thus public pressure on politicians to use state revenues in the interest of the people, which might be of extra importance in resource rich countries given the size of revenues (Collier and Hoeffler, 2009:295). Unfortunately, that democracy improves the chances of resource rich countries to avoid the resource curse does not seem to be the case. Collier and Hoeffler even argue that natural resource rents and open democratic systems in developing countries reduce growth (2009:293).

The two effects of natural resources on political system supported by the literature are sustained authoritarianism, and in case of democracy, the erosion of democratic institutions. The two political models described before help explain this, as natural resources increase the possibility of incumbents to pay of political support

and provide incentives for rent-seeking behavior. What Collier and Hoeffler continue to state, however, is that democracies that can provide extensive checks and balances on how resources are used are able to counteract the resource curse. The conclusion of Collier and Hoeffler's article must then be that it is the maturity of democracy that matters. Mere electoral competition is not enough, but democratic systems that ensure checks and balances on the governing elite can avoid political patronage and unproductive spending of state revenues (Collier and Hoeffler, 2009:299). The problem is that natural resources make democratic consolidation more difficult and the time a resource rich country is exposed to a democratic system in the presence of natural resources does not necessarily influence governance positively. The "correct" technical set-up also seems insufficient: When Chad found oil, the World Bank involved heavily in the country to ensure the proper management of resources. The system quickly deteriorated due to the absence of genuine political will (Gary, 2008:161).

The political incentives described earlier are thus at work both in autocracies and democracies. Still, most countries that succeed in managing their oil wealth are democracies (no exact source were found, but see Torvik, 2009:246 for an indication). Perhaps, the outcome of oil most of all is depended on the quality of institutions *prior* to the finding. Democracy might therefore positively correspond to the good management of natural resource, if it has been allowed to mature beforehand, because it has allowed the evolvement of the necessary checks and balances that most literature agrees is the only antidote to the resource curse.

4.2 The Resource Curse and good governance

McFerson defines good governance as "the manner in which power is exercised in the management of a country's economic and social resources for development." (2010:338). McFerson, following Schiavo-Campo, continues to identify four pillars of good governance: accountability, transparency, the rule of law, and participation. As already showed, all of these tend to be weakened when natural resources are abundant, with the result that for example corruption is rampant, something that has showed detrimental to good governance (McFerson, 2010:338-40; Rothstein, 2011). Essentially, good governance in the oil sector is not very different from good governance in general, just that the incentives for 'poor governance' are more evident when natural resources are abundant. The basics are the same, namely an institutional arrangement that clearly separates the power between the executive, the parliament, and the judiciary, in order to limit the abuse of power (Persson et al., 1997). Many developing countries suffer from a political structure where the executive holds disproportionately much power compared to the other branches (Persson et al., 1997:1199; Brierley, 2012:419). This increases the stakes of being in power, especially when natural resources are abundant. Historically, this has made resource rich countries vulnerable to internal conflict. One stream of thought in the resource curse literature argues that the main problem is then that oil resources accrue to the state. All theoretical solutions to this problem will not be accounted for

here, but a common proposition is to direct all revenues into an oil fund, with extensive regulations for when and for what money can be withdrawn (Gary, 2008:172). Others mean that the state should be bypassed completely. They argue that oil revenues should take the form of direct cash transfers to the population with three positive implications as results: politicians could not use the money for patronage or repression; citizens would increase their interest in oil management as this affects the size of distributions; tax activity would increase when citizens spend their money which would both increase dependency of governments for taxation of citizens, as well as increase citizens interest of monitoring the allocation of tax revenues (Moss and Young, 2009). The effect that resource rich governments depend more on resource extraction than taxation of citizens, with the result of the erosion of accountability measures, is referred to as 'the Rentier effect' (McFerson, 2010:344).

4.2.1 Accountability, oil, and civil society

The realistic view is that no government will voluntarily let go of control of resource revenues. International initiatives, aimed at the resource curse, must therefore target the rentier effect from a transparency perspective to uphold mechanisms of accountability and decrease the possibility of the political elite to only depend on resource revenues. Transparency here focuses on "the low-cost access by citizens to relevant information, particularly on public service access and quality, on mobilization of revenue, and on allocation of government expenditure" (McFerson, 2010:338). Accountability means the mechanisms through which citizens can use the information disclosed. The discrepancy between these definitions and the reality is that most initiatives focus only on transparency that relates to the actual revenues, but ignore the mobilization part (www.eiti.org). As oil contracts in Ghana still are secret, civil society are limited to monitor government allocation, even though

"...the revenue you get is dependent on the kind of agreement you enter" (Mahmud, Interview nr. 4).

But what is the role of civil society in all this? As mentioned, just as in good governance in general, civil society is expected to identify shortcomings in oil governance and scrutinize the actions of politicians to ensure they do what they say. Given the many types of revenues streams that exist in oil (see Gary, 2008), international best practice recommends that the fiscal regime in a country is enshrined in its laws, to avoid contractual discrepancies as this makes oversight difficult (Gary, 2008:162). Civil society, in other words, are expected to lobby an adequate legal framework and then monitor compliance with the established laws and regulations. Applying the language used in section 1.1.1.2, civil society is hoped to change behavioral incentives of rent-seeking and political patronage by increasing the political costs of acting in your own interest, and not in the interest of the nation. Following Kolstad and Wiig, civil society should lobby the establishment of

“impartiality enhancing institutions” that “reduce the possibility or attraction of favouritism” (2009:5321). This does not necessarily mean the strengthening of state bureaucracies, as many developing countries already are characterized by a particularistic political culture, but instead measures that improve institutions of democratic accountability and the rule of law (Kolstad and Wiig, 2009:5322). Impartiality, especially in the rule of law, is also emphasized by Rothstein when explaining good governance (2011:20). Quite logically, any establishment of laws or other accountability mechanism will be pointless if there is not also a realistic possibility that the political elite will be punished if they are caught violating the legal system.

4.2.2 Civil Society and the media

At the heart of the resource curse is corruption and political patronage. Corrupt behavior is difficult to isolate only to a political elite, and is perhaps better described as an institutional problem that is rooted in the structures of a society, and inherently difficult to combat (Rothstein, 2011:106). This is supported by some recent studies on the relation between media, civil society, and corruption. The traditional view is that a strong civil society is associated with lower levels of corruption in a society, but instead it seems that this effect is conditional to the level of press freedom in a country (Themudo, 2013; Lindstedt and Naurin, 2010). In the absence of a free media that scrutinize also the actions of civil society, it seems like even civil society actors succumb to corrupt behavior.

To summarize: what the theoretical framework shows is that the effect of democracy on the resource curse is ambiguous. Rather, it is institutionalized checks and balances on the governing elite that can change the behavioral incentives involved with natural resources. But just because no casual relation between democracy and resource blessing can be made in general, this does not mean that democratic governance in Ghana does not positively affect the country’s chances of overcoming the resource curse. What role, for example, has democracy played for the emergence of civil society in Ghana, and how does civil society, in turn, feed in to the institutional set-up in the country that can be said to manage the oil resources? These are the types of questions section 5 aims to clarify.

5. Result/Analysis

The following section will analyze the material gathered for this thesis in the light of the theoretical framework established above. Interviews will when necessary be complimented with additional sources.

5.1 Ghana, oil, and democracy

Arthur writes: “The existence of a democratic system of governance is one area where, compared with Nigeria and other countries characterized by the resource curse, Ghana has a distinct advantage. This is because Ghana has been able to

relatively consolidate the democratic process which began around 1992.” (Arthur, 2012:123). Despite free and fair elections as well as peaceful transitions between political parties - an indication of democratic consolidation (Arthur, 2010:206)- the political set up in Ghana provides weak checks and balances on the executive, which would make the country vulnerable to the resource curse, as argued by Collier and Hoeffler (2009). Additionally, Ghana must still be describe as a patronage based society, and “a multitude of public-sector opportunities—jobs, consultancies, directorships, civil-service posts, and construction contracts—are reallocated almost entirely on the basis of party loyalty after a party turnover in government.” (Gyimah-Boadi and Prempeh, 2010:101). This view exists also among civil society actors:

“There is a school of thought that says that Ghana is a democracy and because we are a democracy we are going to manage our oil resources better than countries that are discovering the oil without being a democracy, like Angola and Guinea Bissau. I do not subscribe to that school of thought because of the nature of our democracy” (Brobbeey, Interview nr. 7).

With regard to the role played by civil society so far, it still seems as the political situation in Ghana has affected it in a positive way. Capacity by the two main political parties to cooperate in issues that requires national consensus (such as a longer term national development plan) might be preferable for Ghana’s democracy in the long run, but entrenched party rivalry has also proved advantageous to civil society engagement in the oil sector. When oil was found, the opposition (NDC) was sidelined in the preparations by the government (NPP), so when the NDC accessed power in they had little insights in the ongoing work. The law states the outgoing government to prepare a “handing-over” note, but due to the mistrust between parties, information is doubted. Civil society could provide more credible information, which placed them closer to the government (Manteaw, 2013). Democracy, through electoral competition thus seems to have played a role in civil society’s possibility to engage in the oil management.

Exactly how democracy in Ghana has affected the development in Ghana is too early to say and it is difficult to say whether Ghana will prove another case in the ‘erosion of democratic institutions hypothesis’. What can be hypothesized is how democracy in Ghana has affected civil society activity. Most likely, democracy in Ghana has fostered a tradition of civil society activity, which has facilitated actors today to make the input they have made. CSOs have for example proliferated since re-transition to civilian rule, pushed by a free and vibrant media⁸ (Gyimah-Boadi and Prempeh, 2010:96). All respondents acknowledge the crucial importance of the media as a channel for obtaining attention from the political elite (Interview 1-8). Ayorogo (Interview nr. 1) exemplifies:

⁸ Freedom House has given Ghana its best rating in the area of press freedom every year since 2002 (Gyimah-Boadi and Prempeh, 2012:96)

“We would not have gotten the same attention as we have gotten minus the media. Because the media has really, really played a catalytic and crucial role in our struggle and advocacy effort”.

Also, the media has encouraged the political elite to work with civil society actors. Politicians in Ghana have come to understand, and accept, that even if they refuse to work with civil society on an issue, it will come out in the public domain anyway – the media will carry it and force a response from officials (Mahmud, Interview nr. 4).

There are other reasons as well to why democracy in Ghana can help explain the role played by civil society. Many respondents acknowledged that the government of Ghana wants to be perceived as democratic both nationally and internationally, and ignoring civil society demands would then be bad for the government’s democratic credentials (Brobbeey, Interview nr. 7; Manteaw, Interview nr. 5). Mahmud, (Interview nr. 4) summarizes:

“I will say that apart from the support they give to Civil Society, the World Bank play a role with regard to the relationship they have with the government. It has opened up government for Civil Society engagement [...] Because government tend to listen to civil society more also because of the relationship they have with international financial institutions.”

One conclusion from this is that Ghana’s democratic system have positively affected civil society’s possibility to engage in the oil sector.

5.1.1 Credibility and Legitimacy of civil society in Ghana

Democratic developments in Ghana have been underpinned by civil society actors, but political openness and freedom of speech have also helped manifest civil society as a legitimate political actor (Afrimap, 2010:5-7). The interviews conducted for this thesis seem to support this statement, even though Arthur (2012:116-7) claims that civil society in Ghana is limited to activism when trying to impact decision-makers. With regard to oil management, civil society actors seem to have been successful in directly lobbying and influencing the political elite. Still, Arthur has a point when he says that civil society – government relations build more on personal respect than institutional engagement, as exemplified by Ofori (Interview nr. 8):

“Seriously, if you do not have a strategy as to when to do it and how to do it [engage parliament and government], you will not be able to do much. GII has a board of 7 members, and this board has different capacities, they have different networks they belong to”.

This is further emphasized by Brobbeey (Interview nr. 7):

“[I]rrespective of the government in power – there are people here at CDD that are close enough to people that are close to power centers to get our message to them [...] We have those lines of communication open. And I think every high-level CSO has those lines of communication with government”.

It would, however, be unfair to reduce civil society’s ability to influence the oil management to personal connections. A common answer when asked why it would make sense to organize in the CSPOG, in the context of Ghana, was that politicians respond to either money or numbers (Manteaw, Interview nr. 5). What it indicates is that while potentially being corrupt, politicians in Ghana do recognize that elections matter. Consequently,

“once [the civil society platform] was seen as a lead organization of all civil society organizations, then Government had to listen” (Boakye, Interview nr. 2).

This testifies once again that democratic elements in Ghana’s political life potentially can have an impact, given that the laws pushed by civil society will be implemented. The capacity of civil society in Ghana to preform a necessary monitoring role is examined in section in 5.3.2.

5.1.1.1. Civil society as a resource to the political elite

The preceding paragraphs paint a picture that indicates a quite uncomplicated relation between civil society and the political elite. This is not the case, and nothing of what civil society in Ghana has attained in relation to oil management was inevitable. In the past

“...it was always difficult, especially to have government agencies and civil society under the same roof. It was just grabbing and attacking, but these days we discuss issues.” (Mahmud, Interview nr. 4)

The shifting nature in civil society – government relations can to some parts be explained by changing strategies on behalf of civil society actors. A main feature of most of the organizations interviewed for this research was the strategic choice of grounding all their work in evidence-based research (as opposed to service delivery). Manteaw (Interview nr. 5) explains:

“The history of civic engagement, engaging with the political establishment have been on a trajectory that began with confrontation, mistrust, acrimony; then you get to a plateau where you move away from demonstrations [...] to employ high quality minds to do high level top notch technical papers and analysis, and provide policy alternatives. So we don’t embarrass government, but instead we let government know that we see what they are doing, and we write them and say we think things can work better this way”.

High quality advocacy, and the potential of being a resource to government, thus gained civil society in Ghana political space and legitimacy. A good example is the PRML – when it was developed, government provided little opportunities for civil society to give input. Civil society complained, which had the President to publish the draft and allow for civil society contributions (Gyimah-Boadi and Prempeh, 2010:98). In 2013, when the new draft of the E&PL was developed, the minister of finance voluntarily sent a copy to civil society actors for input, without them asking for it (Boakye, Interview nr. 2). The following quotes further strengthens the perception of civil society as a resource, and that this has brought civil society closer to the political elite:

“Because they realize we have input, they realize we have capacity to deliver, so they tap into our resources and use them.” (Ofori, Interview nr. 8)

“I believe that the oil sector especially is still a challenge. Not only to civil society but also to government. For me, the civil society is even ahead in terms of really understanding the dynamics of that industry. [...] the government has actually recognized its weakness so that Civil Society can contribute. So they are more closer in the oil sector than in other sectors.” (Mahmud, Interview nr. 4)

But even though civil society in Ghana is perhaps better developed and better positioned towards the political elite than in many other resource rich countries (compare Amundsen and Abreu on Angola, 2006), it is not evident how this will change behavioral incentives of the political elite with regard to the resource curse. As will be seen in the next section, important flaws exists in the institutional quality that is supposed to govern the oil sector, which earlier was identified as the most important variable for explaining a resource curse or a resource blessing.

5.2 Ghana, oil, and institutions

As section 1.1 and section 4 confirms, the resource curse is today perceived as an institutional problem. Countries that cannot provide checks and balances on the political elite to ensure political will to use the resource revenues in the interest of the nation will trigger political patronage and rent seeking behavior. In this regard, a parliament and judiciary independent from government influence, as well as clear mechanisms for civil society oversight that ensures accountability, were identified as crucial. In the light of this statement, it seems more likely that oil in Ghana will become a curse than a blessing given executive dominance in Ghana’s political life. Oversight is problematic as parliament is relatively weak and the independent Petroleum Commission is staffed with President appointees. Additionally, PIAC, the oversight body pushed for by civil society is not receiving any funding, even if its costs are very low, which is an indication of lacking political will for oversight of oil expenditures (Boakye, Interview nr. 2). The fact that the revision of the new E&PL

has been ongoing for three years also provides evidence that commitment from the political elite is unreliable:

“Ghana is not the first country to have oil. You have laws scattered all over so only has to pick the best one out. [...] Here we are we have the Bill already, why is not before parliament? [...] And there is evidence, because if you have a law that you think is better and provides the rules for competition, why would you quickly push a non-competitive deal? So that can only explain why somebody is not interested in pushing it.” (Boakye, Interview nr. 2)

Furthermore, there are some flaws in the PRML that risk to fuel a resource curse. For example, civil society encouraged parliament to prohibit oil-backed loans, but it failed. In combination with “the partisan pattern of parliamentary approval of loan agreements” access to oil-backed loans “raises the risk of politically driven growth of Ghana’s foreign debt.” (Gyimah-Boadi and Prempeh, 2010:103).

The desired prohibition of oil-backed loans reflects civil society doubts that the institutional set-up in Ghana was mature enough to ensure responsible governance of oil resource. The following quote, which relates to the ‘rentier effect’ described in section 4.2, supports this statement,

“But we thought that, when you have a situation where government holds the people to collect taxes, the governments then hold themselves accountable to the people. When natural resource revenues replace tax revenues, government becomes less accountable. So we thought that we should treat the oil as something additional – it shouldn’t replace taxes as revenues for financing development.” (Manteaw, Interview nr. 5)

The institutional upside that speaks in favor of Ghana is the fact that there is some potential in the judicial system to actually hold the government accountable to its actions when they do not comply with the law. Ayorogo (Interview nr. 1) describes NPRA’s action after having been denied their legal right to embark on a demonstration:

“One big problem is that we do not have funding, so how to get a lawyer to defend us was the problem. [...] there is this organization called Center for Public Interest Law [...] they came all the way from Accra to defend us in the law court here and we won the case against the state, and as a result we were able to embark on our demonstration.”

While the quote does portray an essentially unequal judicial system, inaccessible for certain parts of the population, it does also indicate a culture of rule of law. Most likely, this has influenced civil society positively, as the actions of the political elite can be questioned and altered through the judiciary.

5.2.1 Capacity of civil society in Ghana

Civil society in Ghana has played an important role in developing the legal framework that governs the country's oil resources. This is all good, but the most important role assumed for civil society by the resource curse literature is that of an upholder of accountability mechanisms. If civil society will be able to play this role depends essentially on its capacity to monitor government and corporate activity in the oil sector. A two-folded image emerges when it comes to the capacity of civil society in Ghana to play the monitoring role. The main issues relates to capacity, funding, and access to information. Brobbey (Interview nr. 7) paints a dull picture:

“Seriously, we are here making all the noise about getting contracts released, but how many has the capacity to understand how oil recites are used, and the implications of all the agreements that are being made in respect to Oil and Gas? [...]I don't think more than 4 – 6 organizations really have the capacity to do Oil and Gas analysis. That really needs to be built up if we are going to have a real, meaningful role in the monitoring of the legal framework.”

But capacity and competence is perhaps not enough:

“Some organizations lack capacity, and when there is capacity also funding is an issue.”
(Boakye, Interview nr. 2)

This is further emphasized by Gyimah-Boadi and Prempeh: “Ghanaian civil society has a notoriously short attention span, marked by a tendency to hop from one issue to another, often driven by the goal of securing external-donor funding.” (2010:101). Therefore, even though competence and understanding exists in some of the CSOs in Ghana, their ability to influence policy makers in the absence of any functioning institutional solution (the PIAC), remains in their capability to maintain their numbers, their donor funding, and their energy. Their ability to hold their leaders accountable rests in their capability to access information. In this regard, the fact that oil contract are secret is a major obstacle. Also, Ghana lacks a freedom of information law, which substantially increases the time and efforts civil society actors have to spend on chasing information (Ofori, Interview nr. 8). What it also does is that it increases the importance of personal networks and reputation. Brobbey (Interview nr. 7) means that if you are trusted, you can access information, but:

“That's not the same for a newspaper, which is considered to be somewhat pro-opposition. They will never get that information from a government agency because they just don't trust journalists with certain information; they are going to use it for narrow, partisan, reasons and embarrass the government.”

5.2.2 The Media

Section 4.2.2 identified a free media as necessary to constrain not only the powers of the elite, but also the possibilities of civil society to succumb to corrupt behavior. This seems reasonable as it is not difficult to imagine how big the credibility loss would be for an organization that work for good governance, to be caught running the errands of the political elite in exchange for favors or similar. In Ghana, this is a real threat, especially in the oil sector since 1) the revenue flows are so high 2) leadership among civil society is concentrated in the CSPOG 3) and civil society seems to work close with the government and parliament in many regards. The possibility for the political elite to pay off important civil society actors thus appears as possible. Civil society actors are also frequently offered jobs within the political administration (Manteaw, Interview nr. 5).

5.3 Civil Society and oil management: challenges and opportunities

Section 5 has aimed to describe the material collected for this thesis in the light of the theoretical framework. While it gives an overview of the role played by civil society in Ghana, as well as some explanations to it, it does not say how likely it is that civil society activity will help Ghana avoid the resource curse. What can be concluded, however, is that the most important role identified by the resource curse literature for civil society is the one of holding their leaders accountable. Given the current problems that civil society in Ghana experience with regard to monitor government activity, it can be questioned how well equipped civil society in Ghana is to play this role. Still, civil society has more opportunities in Ghana than in other resource rich African countries. On the case of Angola, Amundsen and Abreu writes: "One basic lesson from the outline of Angolan civil society organisations made above, is that the more directly the organisations are working on issues of central government accountability and transparency [...]the smaller, weaker and less legitimate the organisations tend to be." (2006:41). This does not seem to be the case in Ghana but similarities exists: the thesis can support that political legitimacy for civil society actors in the oil sector depend, as in Angola, on its technical knowledge, organizational structure, and strategic alliance with international organizations and the media (Amundsen and Abreau 2006:42). Internal leadership issues in the CSPOG, or loss of external support could thus threaten maintained attention from government and parliament. Mahmud, Interview nr. 4 emphasize that:

"[...] if support to Ghana, because of the middle income status, reduces, or becomes limited to diplomacy, I wonder how civil society is going to sustain the space that government has for them." (Mahmud, Interview nr. 4)

Nonetheless, the positive side in Ghana is that civil society has showed that there is important national demand for well-governed oil resources. In Chad, the good governance agenda was driven mostly by the World Bank with the result that the government amended laws that initially reflected international best practice when

the chance was given (Gary, 2008:161). Also, there is now a culture of openness in Ghana that civil society can take advantage of in a way other some resource rich countries cannot:

“Last week I met somebody from another country. Though he knows his country he doesn’t know the mining. He has no information. You dare not. He also said we should not report him, because he could be picked up at the airport. So it means we are a little bit better.” (Ampofo, Interview nr. 6)

6. Conclusion

The thesis aimed to examine how civil society in Ghana has engaged in the management of the country’s oil resources. Data was gathered through semi-structured interviews with nine civil society organizations in Ghana during two months in 2013. The thesis set out to answer two questions:

1. *What is the role of civil society in the management of Ghana’s newly found oil resources?*

Civil society in Ghana has successfully advocated that the country’s oil management should be reflected in its laws. Much of the inputs civil society had with regard to the Petroleum Revenue Management Bill was reflected in the final draft, with the result that Ghana now has a PRML that reflects much of international best practices. Apart from an advocacy role, civil society has also in important aspects built the capacity, and increased knowledge, among important political actors including the Parliament and the Government. Mostly this has been done through workshops, seminars, technical papers, and inputs in the policy making process. As such, one role civil society has played can be described as being a resource to the political elite.

The most important role identified by the resource curse literature for civil society is however another, namely to ensure accountability. By influencing the legal framework, civil society has ensured a *mechanism* for accountability, but the potential to *actually* hold the political elite is not straightforward. Capacity and possibility to adequately monitor important actors in the oil sector is limited, partly due to opacity in the negotiation of oil contracts, and partly due to political resistance.

2. *What explains the role of civil society in the management of Ghana’s newly found oil resources?*

The democratic development in Ghana, with implemented freedom of expression and organization, has helped the emergence of a vibrant civil society. There exists a free, and relatively independent, press that contributes to that work done by civil society reach the public sphere. The political elite knows and accepts that issues brought up by civil society cannot be ignored, as the media is there to carry it.

As a result, civil society in Ghana is now a legitimate political actor, and it was difficult for the political elite to ignore them, even in the oil sector. National demand for well-governed oil resources was also complemented by external pressure on the government of Ghana by international donors and financial institutions and initiatives. This created political space that civil society was quick to take advantage of.

The most important explanation, however, for the role of civil society in the management of Ghana's oil resource seems to be time. Since 1992, civil society actors have had the time to acquire political space, credibility, and legitimacy. Ghanaian democracy is also increasingly consolidated, and even though the executive yields power disproportionately to the other political branches, both the parliament and the judiciary have acquired some independence, which works in favor for civil society activity. For Ghana, in relation to the resource curse, it will probably show important that these developments took place before oil was found as the literature makes it seem unlikely that such processes will commence in the presence of natural resources. If Ghana's democracy and institutional set-up will prove strong enough to resist the resource curse remains to be seen.

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Interviews (Conducted in 2013)

Interview nr 1, 12/ 9, Bolgatanga: Mr Bismark Ayorogo, at Northern Patriots in Research and Advocacy

Interview nr 2, 26/9, Accra: Mr Benjamin Boakye, at Africa Center for Energy Policy

Interview nr 3, 2/10, Accra: Mr Daniel Alimo, at STAR Ghana

Interview nr 4, 7/10, Accra: Mr Mohamed Mahmud, at IBIS Ghana

Interview nr 5, 8/10, Accra: Mr Steve Manteaw, at ISODEC and chair of the Civil Society Platform on Oil and Gas

Interview nr 6, 18/10, Sekondi-Takoradi: Mr Solomon Ampofo, at Friends of the Nation

Interview nr 7, 26/10, Accra: Mr Victor Brobbey, at Ghana Center for Democratic Development

Interview nr 8, 1/11, Accra: Ms Linda Ofori Kwafo, at Ghana Integrity Initiative

Appendix – Organizations

Northern Patriots in Research and Advocacy (NPRA)

NPRA is a research based advocacy organization, based in the northern parts of Ghana. They aim to address the structural marginalization of the poor in the northern regions.

Africa Center for Energy Policy (ACEP)

ACEP is a think tank and registered NGO based in Accra. The organization was founded in 2010 as a response to the oil find in 2007, and works for the efficient and transparent management of Africa's energy resources. (www.acepghana.com)

STAR Ghana

STAR Ghana is a multi-donors funding mechanism of DANIDA, USAID, DIFD, and the EU. It aims to increase the influence of civil society and Parliament in Ghana's political life, to improve political accountability. (www.starghana.org)

IBIS Ghana

IBIS is a Danish CSO that has been in Ghana since 2001. They are an advocacy and support organization that aims to influence political debates and priorities, structural reforms and resource allocation at local and national level. They do no interventions themselves in Ghana, but work through partner organization. (www.ibiswestafrica.com)

Integrated Social Development Center (ISODEC)

ISODEC was established in 1987 and identify as a Human Rights Organization. They combine service delivery programs with advocacy and research. ISODEC is also the hos organization of the Civil Society Platform on Oil and Gas. (www.isodec.org.gh)

The Civil Society Platform on Oil and Gas (CSPOG)

The Civil Society Platform on Oil and Gas is a coalition of NGOs engaged to ensure good governance of Ghana's oil resources. It was established in 2010, and is hosted by ISODEC.

Friends of the Nation (FotN)

FotN is a socio-environmental research and advocacy organization based in the Western regions of Ghana. (www.fonghana.org)

The Ghana Center for Democratic Development (CDD)

CDD is a public policy focused think tank working to promote democracy, good governance, and economic openness in Ghana and Africa. CDD base their work in research and advocacy. (cddghana.org)

Ghana Integrity Initiative (GII)

The GII is an NGO focused mainly toward the eradication of corruption in Ghana. The organization is the local chapter of Transparency International in Ghana. (www.tighana.org)