Corporate Social Responsibility in Ghana: Issues and Concerns

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1 Introduction

The concept of Corporate Social Responsibility (CSR) in Ghana has, to a large extent, been canvassed by civil society which initially focused on how multinational companies could contribute to solving pressing social and environmental problems by acting on a voluntary basis through partnerships with other stakeholders. Concerns had been expressed in industries like mining which conspicuously were impacting negatively with their externalities on rural communities. Confronted with pollution and waste, soil erosion, deforestation and the destruction in mining areas, especially, many Ghanaians began to question the prevailing beliefs that nature was to be ruthlessly subdued and controlled in the cause of industrialisation and economic growth. These concerns led to huge public disparagement and also provided the impetus for the awareness of firms to the growing expectations from stakeholders about how they should manage their social, environmental and economic impacts (Sarpong, 2010).

The considerable influence of civil society has since compelled businesses to reconsider a number of corporate issues. Clearly, it is within this line of thought that many companies are now increasingly incorporating among others social justice concerns into corporate policy commitments, often augmenting already established environmental policies. This has also happened, in part, because various tools and models have also been developed at the international level to manage social and environmental performance of multinational companies in recent years. Alongside these have been international frameworks which have been developed to guide

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governments and companies on how to ensure projects conform to global norms and also provide economic value to their people.

As a result, many ordinary businesses now acknowledge the need for CSR activities in their operations. They see it as a responsibility that they need to disburse to unfortunate people within communities where they operate and even to under-resourced and inefficient state institutions in the country. Such activities have largely been spearheaded by big firms as the multi-faceted problems of Ghana tend to make it almost difficult for many small-scale enterprises, many of whom are engaged in the retail and in the production of primary commodities, to undertake major social actions in the development of the country.

The chapter looks at the role of CSR in Ghana and the ways in which this has changed in the last few years. Firstly, our focus would be on what constitutes CSR and then a general view of CSR in Ghana. We would then turn our attention to the socio-economic challenges in Ghana and the CSR approach envisaged in that sphere. Eventually, we would look at the challenges corporate entities face as they operate in this particular environment. The challenge of NGOs in shaping CSR activities in Ghana would be delved into and finally an attempt would be made to look at the involvement of small and medium scale enterprises (SMEs) in CSR activities.

2 The General View of CSR

Many definitions have been offered for the concept of CSR (van Marrewijk, 2003). Besides, a variety of definitions of CSR have been proposed but a fundamental problem in the field of CSR is that there is no clear, universally accepted consensus in the ideal meaning of CSR, making theoretical development and measurement difficult (Hopkins, 2004; Ismail, 2011; McWilliams, Siegel, & Wright, 2005; Sriramesh, Ng, Ting, & Wanyin, 2007). According to Reinhardt, Stavins, and Vietor (2008), one of the challenges of examining the concept of CSR is identifying a consistent and sensible definition from among a bewildering range of concepts and definitions that have been proposed in the literature. Numerous writers have sought to give an indication that CSR amplifies business' role in society (Lea, 2002; Marsden, 2001; Pinney, 2001).

CSR, at its core, also means respecting environmental values, contributing to economic growth, promoting social progress and conducting business in a way that prevents or mitigates negative impacts and enhances or sustains positive impacts on local communities and host countries (Taylor, 2004). What cuts across a number of definitions that scholars have proposed on the concept of CSR is the general belief that beyond the quest to maximise corporate profits, corporate organisations play a crucial role in solving society's problems (Masaka, 2008). It is in this respect that Drucker's (1984) contribution comes in handy. He proposed a 'new meaning' for CSR, pointing out that profitability and responsibility are complementary notions. CSR can also be defined as a company's voluntary contribution to sustainable

development which goes beyond legal requirements (Carroll, 2006; Crane & Matten, 2007). A company's commitment to CSR, thus, suggests its strategy to fulfil its social responsibilities as expected by their stakeholders (Ferrell, Fraedrich, & Ferrell, 2005). By its very nature CSR is a complex, multiform phenomenon emerging as the interface between enterprises and society.

3 Locating CSR in the Ghanaian Economy

The quest to locate the notion of CSR in the operations of all major corporate bodies these days has become almost a mantra that many recite for various reasons. Corporate bodies in Ghana profess to be pursuing CSR based on their own way of seeing it. The confusion that often arises stems, perhaps in part, from the misunderstanding with regard to what CSR is all about. When companies in Ghana make donations to the needy, hospitals and even ineffectual state institutions, they call it CSR. Some build schools and other social amenities for people in rural communities, others emblazon their brand logos and paint buildings among other things and describe them as CSR activities.

In spite of attempts made to bring the issue of CSR to the forefront, it is significant to note that the CSR concept has not been accorded its due in Ghana. Past studies including one study conducted by World Business Council for Sustainable Development (WBCSD) in 2000, entitled 'Corporate Social Responsibility—making good business sense,' all found that CSR did not seem high on the business agenda in Ghana. One of the reasons adduced by these studies was that CSR is thought to be too expensive. Lack of government control and involvement is also cited as a reason for CSR having a lower priority. The studies also found out that there is little outside pressure on companies to encourage them to take the CSR initiative. Recent studies (Ofori & Hinson, 2007; Sarpong, 2010) have also concluded that CSR is far from being given its due and that a lot more ought to be done by firms to make CSR a strategic concern.

Nowhere in particular is the impact of CSR much more felt than the mining sector in Ghana. This is in view of the huge impact that it makes in host communities. Admittedly, the notion of CSR became much more pronounced following the Structural Adjustment Programme that Ghana embarked upon, together with many other African countries in the 1980s. Following this development, Ghana's liberalised economy ushered in a number of international mining firms to exploit for minerals. The increased competition amongst foreign investors and the development and proliferation of a standard set of legal and environmental protections for both investors and host countries alike created a basis for CSR to gain root in many developing countries, including Ghana. Without effective environmental controls, developing countries like Ghana risked suffering serious, irreversible environmental harm from large-scale mining projects. The mining sector provided a good case study for the analysis of the relationship between investment and the environment in view of the environmental, economic and social importance of the

sector in many foreign direct investment-host countries (Sandbroke & Mehta, 2002).

CSR in the mining industry started as a defensive and reactive measure to complaints from community members and the numerous civil society organisations operating within the sector. For years, mining companies operating in the country stood accused of paying lip-service to the concept of CSR. The new dawn of awareness has ensured they now have designated Community Relations departments and Foundations, which are involved in a range of community development works including the funding of community assistance programmes in their host communities. Outside the mining industry, many corporate bodies especially, those with some 'international connections' have accentuated the potential notion of responsibility, by placing emphasis on the moral dimension of economic globalisation; a compulsion on international corporations to take a more unambiguous stance on environmental management and human rights standards, and the promotion of new ways of thinking about the relationship between business and society.

4   The Socio-economicChallenges and the Quest for CSR

It is quite profound that globalisation is contributing to fundamental changes in the relationship between markets, states and firms (Cohn, 2003). The high degree of globalisation has placed constraints on the policyautonomy of national governments (Julius, 1994). The way in which globalisation affects nations, either by producing the obsolescence of their functions, the reconfiguration of their power, or even the continuity of their traditional sovereign status, has been the subject of a huge discrepancy among scholars in the globalisation debate (Chang, 2004). It has led to the weakening of support for social and welfare programmes as well as issues concerning the environment and matters of sustainability (Campbell, 2001).

Poverty has widened in the last few years in Ghana and job prospects remain negligible. Local communities perceiving the state to have failed in its developmental task have often become confrontational with some business firms in their localities. They see these firms as a substitute for an absentee government and very often challenge the profit-driven attitudes of businesses. The surrogate role assigned to business requires business to help in the development of society. Recognition of this role is evidenced by recent acknowledgement of business's potential to impact on development and poverty alleviation, often seen in CSR activities.

A clear case of how Ghanaian state officials see CSR can be encapsulated by the assertion of a former Deputy Minister of Trade and Industry, John Gyetuah, who indicated that CSR is a useful concept for the country because it is impossible for the government alone to provide all the diverse needs of the society. Gyetuah's assertion denotes the desire of government to work in partnership with business in meeting the needs of the populace. It also reinforces the government's position that the private sector has a key role to play in the development of the country and that,

the sector remains well placed to make a significant positive contribution towards improving social, economic and environmental conditions, but the track record of big business in Ghana, at best, has been quite mixed. There are clearly examples of specific corporate complicity in political corruption, environmental destruction, labour exploitation and social disruption, stretching back many years (Sarpong, 2010). In spite of that, there is also evidence of the benefits of business generally bringing in capital investment, job creation, skills transfer, infrastructure development, knowledge sharing and social responsibility programmes, even if not adequate enough to satisfy local appreciation.

5   Challenges Faced by Corporate Entities Operating in Ghana

The private sector has now increasingly assumed an influential role as a principal engine for development in many countries (Krugman, 1995). Corporate bodies have been gradually consolidating their positions as key components for the generation of progress and development in the absence of the state's ability to do so in many places (Chang, 2004). Local communities now look up to these companies for support in view of the state's 'fragility' in many rural areas (Harrison, 2001; Lodge & Wilson, 2006). The on-going shift in power from the public to the private sector, has meant that many societies in Ghana now look up to the business sector to help solve social, environmental and economic problems that were once considered solely in the province of government.

These envisaged corporate contributions are most often discussed in terms of corporate social responsibility. Hence, CSR is enmeshed in the debate about Ghana's development in view of the economic problems besieging the country. The multi-faceted problems of the country, i.e., lack of jobs, the state's inability to pursue the developmental needs of the people, lack of resources on the part of some state institutions like the police, make it absolutely imperative for companies to come to the aid of the state in order to ensure the operations of some of these institutions. As such, CSR has acquired a new resonance among companies in the country.

What currently pertains in Ghana, however, is that majority of corporate contributions have remained dispersed and unfocused (Ofori & Hinson, 2007). The poor understanding and adhocism associated with CSR has led to a situation where 'philanthropic CSR' has emerged, though its sustainability remains questionable. Quite notably, there is also a corps of receiving communities who do not even have the wherewithal to look after some facilities that have been handed over to them. These communities have been over-reliant on corporate bodies who, it seems, are ready to accede to the demands of the community members in order to garner their CSR credentials. The support that is offered often consists of cash donations which are given out to aid local community causes or universities, hospitals and national

charities in the hope of generating goodwill. Many of the projects that the companies have helped with usually have their names emblazoned on them. This conception falls in line with Klins, van Niekerk, and Smit's (2010) assertion that the creation of a positive corporate image is an important drive of CSR activities in Africa.

Whilst some companies dwell on the business case of greater brand creation and reputation as their motivation, others show that the need to help build the country's economy is more paramount. It is not, however, easy to draw a distinction between the motives. As Masaka (2008: 17) notes, 'it is often difficult to know if it is an elaborate show of CSR motivated by a genuine concern for the welfare of society and the environment they operate in and serve or [whether it is] just a gimmick to enhance their corporate standing through these seemingly good-intentioned actions.' Ghana is yet to integrate CSR into public policy. This, therefore, has led to a situation where organisations virtually isolate certain aspects of CSR and use it as a means of promoting their image, with the goals of looking good more than doing good. It has been simplified to the populist proposition of 'giving something back'.

For some corporate entities in Ghana, CSR is essentially a one-off box-ticking endeavour—cash hand-outs. It is in the light of this that CSR in Ghana has been branded as a 'haphazard indulgence in good corporate works' (Ofori, 2007: 67). But, although, CSR practices are diverse, and could range from the traditionalphilanthropic programmes to a more integrated and comprehensive set of policies and practices linked to a company's operations (Turker, 2009), it could be held that the mere attempts at organising a one-off activity for a community does not in itself provide a strong basis for CSR activities.

In technical terms, social responsibility requires a specified objective, an operational definition to guide planning and to determine success (Hubo & Mines and Geosciences Bureau, 2003). Warhurst (1998) puts this in perspective when she says, CSR implies compliance plus the active development and implementation of mainstream business strategy, supported by technological and organisational innovation, to prevent negative social impacts and optimise social benefits from the outset. The key drivers for corporate interest in, and responses to, the challenge of CSR, would, therefore, be the need to know a particular company is living out its mission and values, along with the need to protect and enhance its reputation (Gardberg & Fombrun, 2006; McCorkindale, 2008). A company's commitment to CSR, thus, suggests its strategy to fulfil its social responsibilities as expected by its stakeholders (Ferrell et al., 2005).

CSR's ambiguity, thus, raises some misunderstandings (Rana, Platts, & Gregory, 2008). To this end, corporate organisations may manipulate CSR because the companies do not freely choose to contribute towards solving society's problems, but because society expects them to do so (Masaka, 2008). Hence, 'the increased pressure on corporate organisations to engage in CSR has also induced them to become very ingenious as they rip off more' than they commit to the social cause (Masaka, 2008: 17). Manteaw (2007: 439) also denounces the impression that is

often created of CSR as a mutual or symbiotic relationship serving the good interest of all parties, stressing that, 'it is the logic and backstage activities of these seemingly symbiotic relationships that have not been fully explored as a social justice issue.'

In many cases, the notion of CSR in this country has been more of a public relations tool, rather than a value-creating process. Many companies claiming to pursue CSR have in effect only used contributions to social objectives as a mechanism for carrying on profit-maximising operations. The case of infrastructural provisions in host communities is a clear example of such an act. According to Parker (2006), infrastructure is often perceived as central to operations, and not considered part of community relations. Hence, although many companies have provided considerable help for communities, the basis of this stemmed more from the benefits that accrued to the companies rather than the communities.

An example of this is the rehabilitation of Ghana's western rail line by the mining companies. For a considerable period, the Ghana Manganese Company (GMC) provided funds for a portion of the rehabilitation of the railway system in the western part of the country. It was obvious the company's involvement stemmed more from its desire to secure a reliable means of transport for the carting of its manganese to the nearby port of Takoradi, rather than a determination to develop its operational area in Nsuta or to help the under-resourced state organisation, the Ghana Railway Company. When the state-owned Ghana National Petroleum Corporation, for instance, decided to sponsor hundreds of supporters to the World Cup in Brazil in 2014, it considered it as its corporate social responsibility to the nation but the company took up the initiative because it wanted to tie-up its interest to a national passion. After all, there was not a strong desire then for people to travel to Brazil as they had the opportunity of watching all the matches at home. A lot of such cases prevail in the country.

There is also evidence to the effect that some of the assistance that have been offered in some rural communities had come about because the mining companies had polluted their environment. For instance, a number of these communities had boreholes provided for them because their sources of drinking water had been polluted by the mining companies. The companies were, thus, compelled to provide the said assistance not because they wanted to, but, rather they had to do so in view of the devastation they had caused. Incidentally, such an action is documented as an important contribution to the society under the auspices of the companies' CSR although social responsibility must be premised on fair operating practices.

Hence, if we were to accept CSR as a strategic concern then the concept as practised in Ghana today, completely lacks that delineation. It is only in the last few years that a number of companies have attempted to make their CSR activities more strategic by incorporating stakeholder concerns in their corporate strategies (Boon & Ababio, 2009). Although local companies are now familiar with the concept of CSR and do, indeed, practice some level of the concept, they subscribe less to the contemporary notion of CSR as they are less strategic, less moral and less ethical in their approach to CSR (Ofori & Hinson, 2007). Besides, CSR issues are not well

understood, and are regarded as 'philanthropic add-on' (Atuguba & Dowuona-Hammond, 2006).

It is rather the internationally-connected firms in Ghana that seem to have a better grasp of the various dimensions of CSR and how these could be used to business and strategic advantage (Ofori & Hinson, 2007). It is quite pertinent to note that the prevailing approaches to CSR in Ghana are disconnected from business and strategy to the extent that they obscure many of the greatest opportunities for companies to benefit society. If indeed companies were to analyse their prospects for social responsibility by using the same frameworks that guide their core business choices, they would discover that CSR can be much more than a cost, a constraint, or a charitable deed and that it could be a source of opportunity, innovation, and a competitive advantage.

Heightened corporate attention to CSR has not been entirely voluntary in Ghana. Many companies, especially those in the mining sector, awoke to it only after being surprised by public responses to issues they had not previously thought were part of business responsibilities. Advocacy organisations have also brought public pressure to bear on many businesses especially those in the mining sector. The mining companies have long had a disputable reputation for social responsibility and it is highly perceived that communitydevelopment has been inconsequential to them. They have since come under increased pressure by environmental groups and even government officials to do more for their host communities. In a speech at the 77th Annual General Meeting of the Ghana Chamber of Mines, (an umbrella group of international mining companies in Ghana) ex-President, John Kufuor stated,

> At the moment, another major challenge facing the industry in this country is the distressed state of the communities in which your companies operate. This is an indication of the low levels of social investment which have been made within the communities since industrial mining started in this country over a century ago. I call on the industry to support government with radical and creative policies and programmes to redress this historical neglect (Kufuor, 2005: 3).

In recent year, however, the mining companies have used a variety of vehicles for their CSR initiatives. These are either direct action, through foundations established solely for that purpose, through tie-ups with government agencies or Non-Governmental Organisations (NGOs). They continue to address education, water and sanitation requirements in their host communities. However, just as it is globally, extractive industries whose operations have direct impact on the environment and local communities are always in the news for obvious reasons. They are either breaching some of the tenets of the CSR agenda or fulfilling them in earnest. Despite the elaborate CSR policies adopted by the mining companies in last few years, numerous incidents occur, which in effect reflect a discrepancy between the CSR discourse employed by them and their actual practice in relation to their host communities.

6 The Search for a National Policy Framework on CSR

As there is no national policy framework that guides the implementation of CSR in Ghana, firms are not bound by law to implement CSR activities in the country, although they do so more in response to moral convictions (Boon & Ababio, 2009). Despite that, there are a variety of policies, laws, practices and initiatives that together provide some kind of framework for CSR actions in Ghana. Constitutional provisions, local government laws and requirements for environmental impact assessments (EIA) legislation that defines minimum standards for business performance all help to provide the basis for CSR activities in the country (Atuguba & Dowuona-Hammond, 2006).

Statements by government officials, some clearly rebuking companies, especially those in the mining sector for their inadequate provision for their host communities, Non-Governmental Organisations (NGOs) and the media's frequent chastisement of some firms over their environmental degradation, have all helped to improve standards in the country. In addition to civil society pressures, there are numerous international treaties and agreements like the Universal Declaration of Human Rights, International Labour Organisation conventions, among others, that attempt to promote more responsible activity by business with respect to their social and environmental impacts.

The definition of CSR, as 'an entirely voluntary, corporate-driven initiative to promote self-regulation as a substitute for regulation at either national or international level' (Pendleton, 2004: 77), clearly suggests that in order to avoid possible state inferences in their affairs, companies resort to CSR as a means to avoid possible laws or regulations. The argument here is that one of the motivations for CSR policy and strategy development is the avoidance of a legal framework. The suggestion is that companies may not adopt such policies or strategies in the absence of legal and regulatory pressure (Davies, 2003). This debate pits adherents of self-regulation against those who advocate for an increase in the laws and control mechanisms by governments. Many Ghanaians, however, agree on the need to unite responsibility and opportunity. They feel businesses should respond to the complexity and competitiveness of a cultural environment in which, for decades, maximum profit had always been companies' only objective (Sarpong, 2010). In this regard, a company is portrayed as socially responsible in Ghana if it finds a new model for social integration by including the need to add a social and environmental capital to its traditional obligation of generating financial capital.

The lack of a national CSR policy, meanwhile, remains a concern to the government, as such, the Ministry of Trade and Industry was tasked in 2014 to put together a technical committee to draft a national CSR policy for the country. The government is of the view that such a policy would create a framework which would encourage and enable responsible behaviour of businesses and also align and streamline CSR initiatives with the national and development plans. The policy draft is expected to encourage innovative approaches and continuing development and application of best practice. It is also meant to ensure the country has at least decent levels of performance in areas such as health, safety and environment.

7 Specifics of CSR in Small and Medium-Scale Enterprises in Ghana

Some SMEs (those quite small in size) do not appreciate what CSR is all about and cannot fathom how such an initiative can assist them in their businesses. However, others (much bigger SMEs) are beginning to appreciate the importance of CSR. Though the acceptance of the concept has been gradual, the awareness is being created for businesses to take advantage of the benefits of CSR. SMEs in Ghana may not be the key players but rather followers. They are influenced by large and multinational companies because of their incorporation into global production and value chains of these corporate giants. The challenge for SMEs in Ghana is to adapt and narrow the broad CSR concept used by large and multinational companies and incorporated in the global reporting initiatives so that it has relevance for their CSR agenda.

Strengths of SMEs that should facilitate CSR implementation and reinforce their CSR can be found in the following:

- Their lean organisational structure brings lower costs on the management of the company, lower level of internal bureaucracy, and in this way more could be spent on CSR activities.
- They have the flexibility that can improve action time in individual CSR activities and can act in urgent situations—e.g. they can provide help to citizens after natural disasters.
- Their personal and informal relationship with employees and customers alike often fosters CSR in the company and provides credibility of CSR activities in the eyes of customers and employees.
- The SMEs are known to their communities and quite frequently have personal, sometimes emotional relationship to the communities they live in and operate from. These factors influence implementation of CSR in the communities and the attitude of such communities towards the companies.

In spite of the above, there are also issues that tend to hinder SMEs' efforts in implementing CSR into their operations. Primarily, they have less in terms of financial resources to invest in their CSR activities and also lack professionals with the know-how in CSR issues.

8 The Challenge of NGOs in Shaping CSR Activities

CSR has opened up for scrutiny corporate behaviour, a situation that has put civil society in good stead to judge the conscience of businesses on the environment, community development and other issues. Many companies are now under greater public scrutiny as people ferret through their mission statements and undertakings to determine their intentions and the profits they make, as against their contribution

to the local area. A combination of what might be called the institutionalised environmental and human rights movement, a sympathetic media and ecological realities have all combined to generate enormous societal attention to ecological problems in Ghana, in the last three decades (Sarpong, 2010). There is also widespread recognition that NGOs are the type of organisations that enjoy the best image and credibility in society (Arenas, Lozano, & Albareda, 2009). They are the ones who have struggled in the localities where absolute poverty still erodes the security of people.

Seen as quite independent, their neutrality has earned them a good reputation with the public. Unlike the state agencies, who are deemed to be closely associated with the business community and hardly denounce inappropriate company behaviour, there is public acceptance of assessments made by the NGOs in Ghana. This, to a large extent, has ensured that many firms now pursue sustainable practices even if their commitment is suspect. As Bendell (2004) acknowledges, businesses have changed some of their policies and strategies, in part, due to social and political pressures linked to NGO networks. Campaigns by NGOs in Ghana have created substantial negative publicity for some of these companies and have provoked some of the recent shifts in corporate social and environmental policies (Sarpong, 2010). The NGOs with a leading presence in the mining communities, for instance, are made up of loose indigenous groups with international alliance in the developed world. They have been effective in applying pressure on the government, international agencies and financial institutions to impose higher standards in the mining industry. The government, media and activists have now become adept at holding companies to account for the social consequences of their activities.

9   Company-Community Relations: Two Logics in Conflict?

The CSR challenge in Ghana derives from the inability of the companies and the inaction and/or inadequate action by the state to address issues of concern to many communities. The state suffers from lack of financial resources to effectively implement a number of social programmes. Businesses have also become aware that factors such as poverty, health and other issues now have a bearing on the activities, hence their involvement in providing support for people in their operational areas (Blowfield, 2005). This, in effect, puts corporate bodies at the forefront of such considerations. But there are some complications regarding the 'surrogate role' of the companies as communities now look up to them for their unmet needs. Such companies are seen as a replacement for the state, whose role is hardly felt in many rural areas. This brings to the fore the need for the pursuance of a sustainable, strategic, and mutually beneficial set of responsible actions from both the state and corporation.

The need also arises for both the state and corporate bodies to invest in the social and infrastructural development of many areas of the country. The difficulty in this respect is where to draw the line demarcating the responsibilities of companies and

that of state institutions. The firms seem to be in a disadvantaged position in that if they fail to formulate a clear policy for community improvement and involvement, they run the risk of losing social support and the 'social licence' which they need to operate effectively with. Unless a company earns that licence, and maintains it on the basis of good performance on the ground, there would undoubtedly be negative implications. Numerous cases abound in Ghana where communities have blocked projects or subjected them to legal challenges even after regulatory permits have been obtained, potentially halting projects, just because such companies failed to win the trust of the community members.

There are contradictions between the aspirations of companies and local communities. Whilst the companies are obviously and clearly motivated by business concerns and the protection of their shareholders, the local communities, in turn, are more pre-occupied with their quest for 'development,' a condition which often seems at odds with the objective of business. The nature and extent of development support required by the communities is an issue which often put the two bodies at loggerheads. Both the communities and companies have serious misgivings about each other in many localities in the country and nothing has happened over the years to clear these deep misgivings.

Notwithstanding the above issues, it is sometimes tempting to assume that companies have no compulsion to assist their host communities. Colman and Nixson's (1994) position on this is that, firms, especially, multinational companies, cannot be directly blamed for the lack of development in their host communities since their prime objective is global profit maximisation. If it is held that the primary interest and agenda of these companies have never been the development of the communities but rather to ensure the maximisation of their profit (a view heavily canvassed by the eminent economist, Milton Friedman), then the concept of development in the real sense of the term is, secondary if it ever figures at all. Under these circumstances, firms, as Kapelus (2002) notes, would be interested more in the appearance of social responsibility than actually being socially responsible.

10 Conclusion

The chapter looked at the role of CSR in Ghana and the ways in which this has changed in the last few years. It noted the encouraging signs of a more socially responsible private sector with some companies undertaking socially acceptable initiatives all in a bid to resolve problems within their host communities. As a result of corporate social interventions and regular engagements, tensions which often characterise business and society have reduced considerably as corporate bodies now continue to address issues within distressed communities or even aid state organisations which are under-resourced. But despite the elaborate CSR policies adopted by some companies, incidents occur, which in effect reflect a discrepancy between this discourse and corporate practice in relation to their host communities.

Hence, although CSR is much touted, the extent to which it is followed in practice in Ghana leaves a lot to be desired. As forward thinking companies in the industry are showing, the best approach is to become better neighbours in the local community. This helps in conflict prevention, resolution and management in Ghanaian communities.

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