

The Impact of Mining on Living Standards in Liberia

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Living standards is a measure of the (material) welfare of people. In this study we use household structures characteristics and public utilities to measure the living standards of people living in mineral producing districts. Almost all of African Countries with abundant natural resources are poverty stricken due to mismanagement. The continent has been seen as a resource curse because of lacked of stronger institutions and polices critical for resource governance. This paper studies the impact of mining on living standards in districts that produces minerals or have mining sites in Liberia. Key minerals studied in this paper are Iron ore and gold.

Despite the side effects on the environment and agriculture which in turn has some negative impact on the people, mining have played an important role in contributing to the economy of Liberia. In 2013, the mining sector commodity export earnings grew by 126%, it was dominated by iron ore (USD 314.2 million), gold (20.6 million) and diamonds (17.4 millions). The major question is, have this increase positively impacted the living standards of people living within mining districts?

This literature shows that evidence about impact of mining on living standards are positive in some aspects but limited.

Key words - Living standards, minerals, districts, producing, iron ore, gold diamond