



# ARTISANAL MINING AND POVERTY

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## INTRODUCTON

- Artisanal mining (Galamsey) is a major source of alternative livelihood
- It is estimated that about 6.2 million people world-wide are employed in Artisanal Mining
  - Africa 1 million
  - Asia – 4.2 million
  - Latin America – 1 million
  - In Ghana about 80,000 are employed mainly in diamonds and gold



## **Types of Artisanal Mining**

- Seasonal Artisanal Mining
- Permanent Artisanal Mining
- Shock-push Artisanal Mining
- “Gold Rush Artisanal Mining”



## **SEASONAL ARTISANAL MINING**

- Movement of migrants into mining areas during off agricultural seasons
  - Alternative source of income for the rest of the year
  - As source of capital for investment in agriculture
  - At times as source of capital for other non-agricultural ventures



## **PERMANENT ARTISANAL MINING**

- Artisanal miners who live in established mining areas usually with large scale commercial mining towns
- Migrants who have permanently settled
  - Realized that incomes from mining far exceed those in agriculture
- People who have no other choice but to be miners and live with its harsh conditions



## **SHOCK-PUSH ARTISANAL MINING**

- Shocks such as droughts in one geographical area forcing people out in search of greener pastures
- Choice of mining over other sources of livelihood because of anticipated high pay-offs from minimal investment
- Result is use of primitive technology and highly toxic methods of extraction



# **“GOLD RUSH ARTISAN MINING**

- Easy –to-mine sites found
- People lured by perception of high winnings and high incomes
- Lured away by this expectation from current income earning job
- Tend to have short term perspective
- Need to maximize incomes to validate perception leads to use of primitive technology and methodology
- Results is serious health hazards and environmental degradation



# **ARTISANAL MINING AND POVERTY**

- Major source of income for increasing wealth and reduce poverty in rural areas
- Opportunity for alternative livelihood
- Incomes can be major source of other investments in agriculture and non-agricultural pursuits in rural communities
- Perceived by rural dwellers as more lucrative than most jobs
- Often false perception can lure people and crowd sector.
- Result is depressed income and wages
- Plunging people into poverty



## **Artisanal Mining, Environmental Degradation and Health**

- Negative effect of Artisanal mining worse in its effect on social dimension of poverty
- **Low cost, Primitive technology exposes miners and others in the area to large proportion of neurotoxins**
- **For every gram of gold 2-5 grams of mercury are released into the atmosphere.**
- **The releases are inhaled directly by miners or bystanders**
- **Large amounts get into the food chain – Fish, Lifestock, and Wildlife**
- **Waters are polluted**
- **Forests are depleted**
- **Soils are eroded and**
- **Rivers are silted**



## **Other social vices associated with Artisanal Miners**

1. Prostitution
2. HIV infections
3. Gambling
4. Other illicit practices are more prevalent in such areas



## **The Vicious Cycle of Poverty**

- Artisanal miners income lowered by large influx
- Large numbers chasing limited resources
- Low incomes lead to use of primitive technology and environmentally less-friendly methodology
- Inappropriate technology degrades environment and provides health hazards
- Negative health leads to low productivity
- Low productivity means low income and the poverty trap begins again
- Alternative agriculture etc. also suffers due to environmental degradation



## **VICIOUS CYCLE (2)**

- Vicious cycle exacerbated by failure of government to recognize and mainstream artisanal mining
- Miners have no ownership rights to the land
- Miners have no stakes in the land
- No incentive to manage resources in sustainable way
- Lack of legal framework and regulation and recognition leads increased social instability
- Lack of ownership rights prevents Banks and credit institution to lend credit
- Hence inability to invest in appropriate technology



# Strategies for Breaking Poverty Cycle

- Direct intervention
  - Provide alternative livelihood to reduce numbers and raise income
  - Legalize artisanal mining)
  - Provide credit for technology
  - Education about appropriate methodology
  - Information on disease, sanitation and occupational safety
  - Restricting child labor
  - Encouraging and supporting initiatives for collective and cooperative actions

