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## Reforming small-scale mining in sub-Saharan Africa: Political and ideological challenges to a Fair Trade gold initiative

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## ABSTRACT

In sub-Saharan Africa, artisanal and small-scale mining (ASM) has caused a range of environmental, social and economic problems. Most of the donor support pledged to improve conditions in the sector to date, however, has failed to facilitate marked improvements, in large part because emphasis has been placed on technical interventions; at the same time, impoverished miners' needs and concerns have been seriously overlooked. It is against this background that this paper critically examines the underpinnings and potential of "Fair Trade gold" as a solution to many of the problems plaguing the ASM sector and a mechanism for alleviating the hardships of its operators. Unlike the majority of ASM-support support measures implemented in the past, "Fair Trade gold" is entrenched in the discourse of "partnership" and "participation". To ensure its effectiveness initiatives must be adapted according to the specificities of ASM.

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## Introduction

The artisanal and small-scale mining (ASM) sector, which employs an estimated 13 million people worldwide (ILO, 1999), faces myriad poverty-related challenges. However, recent attempts to reform ASM have, for the most part, failed to ameliorate its problems. Although the industry has attracted significant funds from a Global Support Facility (GSF), comprised of organizations such as the World Bank, DfID and the UN as well as host country governments and NGOs, it continues to be plagued by significant problems, which, in turn, underscore the "need to use funds more constructively" (Hilson, 2007, p. 238).

Throughout sub-Saharan Africa, ASM is a poverty-driven activity that is self-perpetuating: the sector's participants are caught in a poverty trap that is being furthered by mining sector reforms (Noetstaller, 1996). Gilman's adaptation of Noetstaller's (1996) "poverty cycle" thesis places the debate within a sustainable livelihoods framework and explains how "large numbers of miners chasing limited resources" are restrained by "low incomes and a lack of investment opportunities" (Gilman, 1999). This leads to reliance on "inadequate technology" that causes human and

environmental health degradation, low productive output and (to complete the "cycle") results in low levels of income (Gilman, 1999). It is against this background that mining policy has sought to alleviate the hardships of small-scale miners and their dependents. The issues and debates pertaining to sub-Saharan Africa are reviewed critically (often making mention of Ghana<sup>1</sup>) by examining the range of failed technical initiatives introduced by GSF-supported host governments.

Following this review, this paper considers the efficacy of a new approach—a "Fair Trade" certified gold initiative—to address the social, economic and environmental impacts of ASM. The

<sup>1</sup> Ghana represents a paragon for the poverty related problems created by ASM in sub-Saharan Africa. Its reputation as a mineral rich country, coupled with a favourable investment climate facilitated by neo-liberal reform, has attracted significant direct foreign investment (DFI) into formalized mining. Countrywide, it was the biggest target for mining investment in Africa between 1990 and 2001 (US\$1.8 billion); its Obuasi gold mine was the continent's biggest single mining investment during that period (US\$872 million) (Bridge, 2004, p. 413). However, because of its mineral wealth, the relative lack of employment opportunities elsewhere (between 70% and 90% unemployment rates in mining localities) and a plethora of other factors discussed below, illegal ASM has become an important economic activity in the country, that today employs an estimated 500,000 miners (Carson et al., 2005). Perhaps because of this, Ghana is widely discussed throughout the literature on ASM gold, a point that this paper alludes throughout its critical review of the existing literature.

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International Institute for Environment and Development (IIED) invokes the potential for Fair Trade gold to alleviate poverty in ASM communities and emphasizes its contemporary relevance by identifying it as a “new” issue to be analysed (Hentschel et al., 2002, p. 64). Drawing upon the work of the Fair Trade Labelling Organization (FLO<sup>2</sup>) and other international Fair Trade organizations, the Association for Responsible Mining (ARM), a global network of policymakers, activists and industry researchers, has drafted a set of principles to serve as the blueprint for a global Fair Trade gold protocol (ARM, 2007). However, there remains considerable speculation regarding the extent to which it engages with the specificities of ASM. Whilst retaining the central role of participation to its success, Fair Trade gold must critically engage with its political ecological dimensions, including the determination of a coherent Fair Trade price and the effects of its inception on existing gold supply chains, in order to avoid further policy failure in ASM.

### Failed initiatives: technical “solutions” to ASM-related poverty

A lack of industry formalization is often represented as being at the heart of the problems faced by artisanal miners today. The widespread illegality of ASM found in Ghana and elsewhere both increases the risks associated with its activities and poses substantive challenges to new policy initiatives that aim to alleviate poverty. Although constituents of the GSF have both recognized and worked towards “the legalization of artisanal mining [as] the essential first step toward its transformation into a sustainable activity” (Barry, 1996, p. 11), policies in the sector have been unable to match the standards set by the rhetoric. The search for new and more dynamic policy solutions is imperative but, as the discussion that follows argues, reforms by themselves often fail because of the lack of formalization in the industry. Indeed, if the aim is to break the negative cycle that prevents mining authorities from regulating and formalizing ASM effectively, then working with under-resourced host countries’ governments with the aim of equipping them with knowledge of ASM should be a priority (Barry, 1996).

In facilitating reform of ASM, the GSF has had two distinct goals. First, assuming that ASM’s existence is inevitable, it has sought to improve the environmental and socio-economic conditions of the sector. Second, it has worked to develop alternative livelihood strategies that discourage the continuation and reduce the prevalence of ASM. Reforms of the first type have *hitherto* been primarily directed at a plethora of technical solutions that have aimed to reduce the attendant health and environmental problems faced by small-scale miners and their dependents. Whether they have been imagined as solving the ill effects of existing gold amalgamation practices, or aimed at reducing the impact of tailings, these technical reforms have failed to educate, inculcate and ultimately facilitate a change in working practices amongst ASM workers. This failure has perpetuated a negative cycle of cause and effect for the mining authorities in developing countries working toward tackling the problems that plague artisanal mining. The ASM-poverty cycle for the authorities is characterized by “inadequate operational resources”, low levels of investment, and people who possess insufficient knowledge of the technical aspects of operations. This, in turn, leads to losses in tax revenues and renders the authorities’ earnings insufficient to

reinvest in their “already-inadequate operational resources” (Noetstaller, after Barry, 1996). Failure to govern better and to formalize ASM exacerbates environmental degradation, health problems, and conflict between small-scale miners seeking new economic opportunities and large-scale miners protecting their concessions.

Formalization challenges<sup>3</sup> in the Ghanaian ASM sector have come to be seen as lying at the heart of attempts to improve the sector’s environmental and human health agendas. Historically, however, such recognition has not been sufficiently recognized by policy makers. For example, it has been argued that the essentially informal nature of artisanal mining has been invigorated by the privatization policies of the World Bank and perpetuated by inappropriate responses by the GSF. Indeed, many of the emergent problems that the GSF has sought to rectify have been caused in part by a reform process that has fuelled the growth of illegal ASM (Banchirigah, 2006). One of the reasons for this is the ubiquity of policies emanating from dialogues with the International Finance Institutions (IFIs) that have “treated small-scale mining as a subset of large-scale, formal mining” (ILO, 1999, p. 61). In ignoring the specificities of the activity, these policies have resulted in a misdiagnosis of the sector’s attendant socio-economic and environmental problems.

In Ghana, the failure to engage with specific issues raised by ASM’s impact is premised on particular representations of artisanal miners in government and IFI-produced discourse. This rhetoric commonly sees illegal miners in Ghana (*galamsey*<sup>4</sup>) criminalized both politically, through conflict over large mine concession usage, or environmentally, through land degradation and irresponsible/ignorant use of mercury<sup>5</sup> (Tschakert and Singha, 2007). Discursively, such stereotyping of miners as *inter alia* “a security risk” and “threatening [to the] lives of people” (Ghana Districts, 2007a; Ghana Chamber of Mines, 2007) has real socio-political effects that serve to “condemn, marginalize and criminalize” and ultimately “shape environmental injustice in the ASM sector” (Tschakert and Singha, 2007, p. 1306). Deconstructing the dominant “anti-*galamsey* discourse” and giving such miners “a place at the table” by challenging the unequal power relations found in the rhetoric is, from a political ecology perspective, an essential starting point (Tschakert and Singha, 2007, p. 1305).

A critical analysis of the *galamsey* discourse is particularly salient as it engages directly with the terms under which polices towards small-scale miners are conducted. For example, the Ghanaian Government continues to marginalize *galamsey* activity through forced eviction from concessions granted to multinational mining corporations and is illustrative of inappropriate assistance programmes that have been borne out of a perceived need to create a more attractive investment climate for large-scale companies. Inaccurate data compound the inappropriate policy response of the GSF and represent a major obstacle to

<sup>3</sup> Myriad challenges with formalizing ASM have been recognized in the literature and have led to the ongoing prevalence of illegal mining across sub-Saharan Africa. These challenges include the high price and overly long travel times of obtaining mining licences, the ongoing problem of securing small-scale land tenure in a system that privileges large-scale mining companies and the shortfall of reliable geological information available to small-scale miners (Hilson and Maponga, 2004; Sinding, 2005).

<sup>4</sup> This is a widespread term used for illegal small-scale miners in Ghana thought to derive from the lexicon “gather and sell” (Rambaud et al., 2000; cited by Tschakert and Singha, 2007).

<sup>5</sup> Between 500 and 700 ton of mercury are “annually emitted into the environment” (Hylander and Plath, 2006, p. 371) and have deleterious impacts on aquatic environments, neighbouring soil composition not to mention human health impacts such as “respiratory problems, kidney pains...and gingivitis (Tschakert and Singha, 2007, p. 1309). Mercury’s impact is often not immediate and is “commonly referred to by many experts as a ‘chemical time bomb’” (Viera, 2006, p. 454).

<sup>2</sup> FLO International has emerged as a major umbrella organization that aims to “standardize the proliferation of different certification initiatives” (Low and Davenport, 2005, p. 147) and acts as a guarantee that “the production and supply of a particular product has met specified Fair Trade standards” (Tallontire, 2000, p. 167).

formalization of the ASM sub-sector. Indeed, it has been argued that “insufficient knowledge of artisanal mining populations...and of areas suitable for ASM activities affects the ability of the government to regularize, as well as improve, the organization of this largely informal sector of industry” (Hilson and Maponga, 2004, p. 22). This “ignorance” is reinforced by the persistence of a paternalistic approach to data collection between a GSF that privileges (Western) top-down scientific knowledges over the knowledge produced and articulated by small-scale miners. Simply put, “programmes developed by people participating in them (i.e. bottom-up measures) tend to be the most effective and enduring” (Hinton et al., 2003, p. 102). Despite this, Briggs and Sharp’s (2004, p. 665) “postcolonial caution” that, “where there has indeed been some engagement with local knowledges by development practitioners, it has most often been at a technical or artefactual rather than fundamental or conceptual level”, sounds an all-too-familiar resonance with the ASM poverty-alleviation strategies employed to date. In short, the espoused solutions to the problems caused by illegal mining will have maximum effectiveness if the miners themselves are factored into policymaking processes through rigorously conceived participatory methods. If not, a continuation of poorly conceptualized and ineffective policies will prevail, and the illegal segment of the sector will continue to expand chaotically.

Nonetheless, the GSF has focused “most previous efforts to address the challenges confronting artisanal miners and their communities...on the technical rather than on the socio-cultural poverty aspects of their situation” (CASM, 2007). This approach is predicated on the belief that “a trend towards more sophisticated technologies” (Mutemeri and Petersen, 2002, p. 288) will at once reduce environmental and human health impacts, and improve efficiency in the extraction process. However, the technical “solutions” that have been put forward have either not worked or have proven unpopular with target communities. Presented below are four such initiatives that either already have been, or will be, undertaken in Ghana: (a) centralized processing units, based on the “success” of the Shamva unit in Zimbabwe; (b) equipment leasing schemes; (c) the introduction of mercury retorts to mitigate the effects of harmful mercury released during gold amalgamation and (d) alternative livelihoods programmes designed to deter miners from ASM altogether.

#### Central processing units

One technical initiative being adopted more widely across Ghana and sub-Saharan Africa is the central processing unit. Inspired by “successes” at the Shamva centre in Zimbabwe, where incomes of artisanal miners rose by up to 30% (Hentschel et al., 2002), central processing units have been constructed to provide an alternative to illegal mining and a more centralized (and thus regulated) way of controlling mercury usage through access to more advanced technology. Shamva has been heralded as a “best practice in small-scale mining” by the United Nations Economic Commission for Africa (UNECA, 2002) and has ushered in funding to Ghana to construct similar centres.

However, a more critical analysis of the Shamva site problematizes policymakers’ privileging of its “best practice” effects and opens up a broader debate on the reliability of the research methodology employed to determine such initiatives. Hilson (2007, p. 242) reports that despite being originally “constructed to service approximately 40 local gold miners”, actual demand for ore processing at the Shamva mining centre exceeds “500 small-scale operations”. This excess demand has, in turn, created lengthy waiting times of up to six weeks to process ore. This has

precipitated a reversion back to mercury usage in the amalgamation process and the attendant environmental and human health costs (Hilson (2007, p. 242)). Better initial research, it is argued, could have helped to determine community-specific needs and to avoid some of these problems of excessive demand (in the case of Shamva) or under-utilization (in the case of a replicated centre in Bolgatanga in Ghana) (Hilson, 2007).

#### Mercury amalgamation

The environmental and human health effects of mercury exposure have been well documented and are widely known (GMP, 2007; Baluyut, 1985). Likewise, the ubiquity of mercury as a by-product of small-scale gold amalgamation has long been recognized as a serious environmental issue (Hinton et al., 2003; Hilson and Pardie, 2006; Viera, 2006; Hylander and Plath, 2006). Studies have been carried out to monitor levels of mercury released as part of broader plans to formalize the sector (Davidson, 1993). Mercury does not only adversely affect the health of miners and the environment, but also impacts upon actors along the supply chain, such as local gold shops, where “mercury levels...are extremely elevated” (Hinton et al., 2003, p. 108). However, despite recognition of its damaging consequences, programmes instituted by the GSF to improve mercury awareness and to reduce its usage amongst small-scale miners have proved ineffective.

For example, as a response to the under-utilization of opaque mercury retorts by local miners largely because of their fears “of not being able to see the mining process”, the UN introduced glass replacements for use in Africa and the Philippines (Hilson and Maponga, 2004, p. 29). That an unwanted opaque retort was introduced in the first place was owing to the failure to consider “the diversity of backgrounds (cultural, religious, economic, etc.), level of knowledge and varied perceptions of individuals in ASM communities” (Hinton et al., 2003, p. 102). To compound the misguided policy yet further, the glass replacement was even more poorly received by local miners because of the design’s “low capacity, high cost, and fragility” (Hilson and Maponga, 2004, p. 29). The retorts of this example represent something of a paragon in a wealth of inappropriately generic technical initiatives that have sidestepped the need to engage on a site-specific basis.

It has been suggested that alongside the need to be “community specific”, any technical initiatives that aim to augment “clean” artisanal mining and to be accepted by target ASM communities should satisfy certain criteria (Hinton et al., 2003, p. 100). First, they should be “economically beneficial” where the equipment is both cheap to purchase and to operate, and should also be capable of generating significant revenues (Hinton et al., 2003, p. 100). This notion is congruous with the dominant discourse of the *galamsey* as “opportunistic” or “mercenary”, and belies local contexts that may be far more nuanced and complex. As Andrews-Speed et al. (2002, p. 48) posit: “central government may be able to argue cogently that the aggregate costs incurred by small-scale mining far outweigh the benefits at a national scale; but the balance of costs and benefits at the local level may be quite different”. A second criterion is for technical initiatives to be “simple”—in other words, technology should be easy to use and readily available (Hinton et al., 2003, p. 100). However, new technologies need to be developed in collaboration with mining communities where cognisance of community dynamics is privileged over the routinized participatory rural assessments and environmental impact assessments that often form the *modus operandi* of the GSF technical design and policy processes.

### Equipment leasing schemes

Equipment leasing schemes are another technical initiative that has become increasingly popular in the last few years. As noted in a recently published UNECA report in Tarkwa (a mining locality in the western region of Ghana), “equipment is made available on a cash sale or loan basis [to miners], and is manufactured in collaboration with local fabricators” (UNECA, 2002, p. 29). Elsewhere, the Ghanaian government has set up a revolving fund and lent 2.23 billion credits to small-scale miners in Talensi Nabdum district in the upper east region “aimed at increasing the production of gold and diamond” (Ghana Districts, 2007b). Whilst such schemes do give artisanal miners rare access to credit, the quality of the lent equipment is often substandard or inappropriate for the tasks required. Yakubu (2003, p. 5) expounds further that the leased tools were “too small for that duty..., soon gave way...[and] the miners, after working for several days, reneged on payment, claiming that the pumps broke down”. Hilson’s critique of the GSF expands on this point by adding that the aforementioned “local fabricators” are “Chinese merchants, who now provide an assortment of poorly designed ASM equipment, ranging from generators to pumps, but with no guarantees or warranties” (Hilson, 2007, pp. 243–244). In short, despite improved access to credit for ASM practitioners, equipment schemes remain beset by problems which, though not insurmountable, are redolent of a broader failure by the GSF in this area.

### Alternative livelihoods “solutions” to ASM-related poverty

The alternative livelihoods programmes propounded by policy makers have emerged with the aim of encouraging moves away from mining activity altogether, yet these have also been unsuccessful. Critics have argued that poorly researched initiatives that have failed to engage with grassroots communities sufficiently can actually serve to deepen the poverty cycle further rather than alleviating it (Hinton et al., 2003; Banchirigah, 2006). Certainly, such projects have failed to reduce the numbers participating in ASM and there is a suspicion that, while they may appear fashionable, “the reality is that in most cases, the profits potentially earned from activities such as snail rearing, batik and soap making within the localities in which they are being promoted are significantly less than those that could be earned in artisanal mining” (Hilson, 2007, pp. 245–246).

The proclamations of success derived from moves toward alternative livelihoods projects away from ASM have usually originated from large-scale mining companies (AngloGold Ashanti, 2002) or government. Intended to “augment income-generating activities for the disadvantaged...and boost community resilience and participation”, these initiatives are often aimed towards the acquisition of agricultural skills such as animal husbandry and livestock training (AngloGold Ashanti, 2002). There may, however, remain dissonance between the aims of the predominantly agricultural initiatives and the aspirations of diverse ASM communities with differing levels of literacy. Even allowing for a more nuanced understanding of ASM communities (and hence better targeted alternative livelihoods projects), the number of people engaged in small-scale mining activity is increasing (Nyame, 2002). As a result of this proliferation, the search for new policies to better manage the ASM activity continues, manifested most recently by the emergence of Fair Trade gold.

### Fair Trade: a “solution” to ASM-related poverty in sub-Saharan Africa?

The impetus for exploring avenues for launching a Fair Trade gold campaign has emerged from the success of parallel

campaigns in other smallholder-dominated sectors. Indeed, the successes of the Fair Trade movement are well documented. Annually, the Fair Trade of agricultural products, including coffee, tea and cocoa, generates between US\$400 and US\$600 million in sales (Smith and Barrientos, 2005). Individual producers benefit through higher prices that ensure “greater economic and social stability”, their families have better access to education and medical support and broader communities can help “improve the natural environment” (Murray et al., 2003, pp. 6–11). However, the historical dynamism of the Fair Trade network has occasioned not only “successes” but also has been accused of failing the small-scale producers that it aims to help. The markets of some (well-established) agricultural products, such as Fair Trade coffee in Europe, have reached a ceiling limit that threatens to prevent small-scale farmers from either entering the Fair Trade markets or, in the case of existing groups, from being guaranteed a Fair Trade buyer. Such a situation could well arise with regards to Fair Trade gold (and expansion into other commodities) without accurate forecasting of future markets for ethical gold.

Demand for ethical gold (and jewellery more generally) from consumers located in the global north does engage with the need for product diversification away from Fair Trade’s traditional reliance on agro-exports (Murray et al., 2003, p. 26). However, this may instead precipitate a geographical shift in demand for Fair Trade gold away from domestic markets in gold producing countries and create a dependency upon Northern consumers’ demand for the product. The potential for destabilising effects on rural livelihoods created by such dependency is best evidenced by the historical effects seen in global (and Fair Trade) coffee markets, most notably in Mexico (Renard and Perez-Grovaz, 2007). The Association for Responsible Mining’s (ARM) Fair Trade gold promises to “play an active role in planning and promoting [of] local sustainable development including economic diversification” (ARM, 2007, p. 9), a notion which, caveats notwithstanding, could be congruous with one of the alternative livelihood strategies outlined above. However, the transient nature of ASM is problematic: gold is extracted from sites over a finite period of time before a community moves on. This, in turn, may impact upon the way in which development initiatives, derived from Fair Trade premiums, are initiated because there is no long-term, sustainable community which it can be aimed at.

The Fair Trade network’s interest in ASM points to a desire to address all of the different documented forms of poverty that mark the industry. Indeed, there is as much attention given to an amelioration of health conditions for small-scale miners and a reduction in the environmental impact of their activities as there is towards ensuring a better price for their gold. Invoking collaboration between the FLO and other smaller Fair Trade actors, ARM—comprised of policymakers, activists and industry researchers—has proposed certification criteria to serve as a model for a global Fair Trade gold initiative (ARM, 2007). Prescribing Fair Trade initiatives similar to those in place for agricultural tropical commodities (most notably, coffee), ARM officers maintain that the proposal (following an earlier draft version) is “an adaptation of the FLO standards for small producers to the situation of ASM and therefore follow the characteristic Fair Trade grouping of social, economic, labour and environmental development standards” (ARM, 2007, p. 2).

There remains considerable speculation, however, as to whether Fair Trade can or should be applied to ASM. To avoid duplication of the generally unimpressive results of the majority of community-based support initiatives implemented to date for the alleged benefit of ASM, it is essential that the plans put forward by the proponents of Fair Trade gold are critically appraised. Further, little is known about the working groups

being targeted and, most importantly, the potential obstacles impeding the launch of such a project.

That the Fair Trade gold initiative has emerged contemporaneously betrays a history that has failed to recognize precious metals and minerals as part of its “alternative” to the neo-liberal paradigm of the international trading system. Indeed, only a decade ago, it was asserted amongst criteria for Fair Trade certification that a product should be “traditionally grown in the Third World and of major importance as a source of foreign earnings...but not...metals and minerals, because the supply chain is not direct to the final consumer, but the product is consumed only after complex processing” (Barratt Brown, 1993, p. 181). The current shift in emphasis towards gold’s Fair Trade potential has transpired through a combination of consumer and industry pressure manifested as myriad “ethical” initiatives and increased media exposure of the mining industry’s problems. Projects such as Oxfam’s “No Dirty Gold” campaign, The International Council on Minerals and Metals’ (ICMM) Mining Certification Evaluation Project (though focused on large-scale mining) and the high profile nature of the Diamond Development Initiative, have created a fertile ground for ethical and Fair Trade gold projects that are centred on small-scale mining. ARM’s draft standard zero is at the forefront of this development and has come to be heralded as a potential end to widespread poverty in the ASM sub-sector.

In economic terms, the central way in which a Fair Trade gold agenda would impact upon the livelihoods of impoverished miners is through guarantees of a better price for their gold. Such thinking is congruous with evidence that suggests that ASM activities would only be improved by an increase in the received price for gold, as it is profitability that ultimately drives workers’ actions (Gibb, 2006; Hinton et al., 2003). If this is deemed to be the case by policy makers, especially those critical of the liberalization of the mining sector, then the Fair Trade ideology may well emerge as offering the most salient solution to ASM’s problems. For these critics, Fair Trade can be said to “challenge the traditional neo-liberal view of commercial conventions through a reconsideration of the meaning of “fairness” in commodity prices, market exchanges, and north–south relations” (Linton et al., 2004, p. 229). It should be noted, however, that the setting of the Fair Trade price itself is problematic. Cognisant, for example, of the volatile nature of gold prices over the last twenty years, ARM concludes that the “fixing of a minimum price is not useful or feasible at this point” (ARM, 2007, p. 22). Currently, pricing is in line with that set by the London Bullion Market Association (LBMA). This, as it stands, is not sufficient, and ARM’s proposal for “further research [to] be undertaken” (ARM, 2007, p. 22) must be rigorously followed through.

Further caveats exist to the adoption of a Fair Trade gold initiative that must be critically engaged with in order to avoid the ill-considered policy design associated with the failing technical initiatives outlined above. The first challenge to Fair Trade’s successful implementation lies at the very heart of its ideology. This ideology, in presenting an “alternative” to existing trade rules, is premised on connecting the producer and consumer as directly as possible by removing any intermediaries from the supply chain; it assumes that ASM gold can be produced for retail in the global north. However, the gold being produced at artisanal mines, rather than being exported, is often held in-country as it is an important source of foreign exchange for governments (Hilson, 2008). This consideration offers a critique of Fair Trade’s applicability to gold mined on an artisanal scale which, though hitherto undeveloped, is of central importance to future research.

It has been argued that governments in gold-producing countries in sub-Saharan Africa should not be encouraging a strengthening of trade links with Western retailers. Rather, as

Hentschel et al. (2002, p. 52) have posited, at a macroeconomic level, gold “is more or less a standard ‘currency’ [and therefore] the produced value is equivalent to extra foreign income”. Buffering the foreign exchange reserves of a host country is particularly significant because in many cases, large-scale mining activities appear to be netting host governments minimal financial returns as well as facilitating questionable levels of development in rural communities (Hilson and Nyame, 2006). As Hentschel et al. (2002, p. 52) expound:

This is particularly the case for artisanal small-scale mining, where no considerations of “repatriation of utilities” of foreign investors are taken into account, as the “investors” are the very own local miners. In this case the value of artisanally produced gold can be considered as a net contribution to foreign income, as freely convertible “currency” is produced with pure local input...[and] the livelihood and wealth of the involved communities, and herewith the wealth of the national economy are beneficiary.

The concern as to whether a western retail market is relevant in achieving fairer trade in the artisanal gold mining sector does not preclude the thoughts that sub-Saharan Africa’s artisanal gold miners are receiving fair payments for their gold, are working in safe conditions or are operating in an environmentally sustainable manner. These miners often receive below-market payments from licensed buyers. However, the buyers may also provide tools and very basic forms of social security for the miners, meaning that the relationship, though one marked by dependency and poor prices for their product, also has its benefits. A move towards a Fair Trade agenda would need to incorporate some support system for those miners that it affects.

While some research (e.g. Keita, 2001; Bounghaphalom, 2003) has offered relatively superfluous accounts of how miners “are receiving below-market payments from buyers for their gold” (Hilson, 2008, p. 394), there remains little critical enquiry into why the dependency persists. Some critics suggest that it is the lack of regulation and the poorly construed support facilities provided by international development organizations (such as the World Bank) for ASM practitioners that forces miners into such “dependent” relationships with buyers (GMP, 2007). Though undoubtedly there are flaws with the trading system in place for gold mined on an artisanal scale, it may be the case that buyers provide those miners with services that host governments are currently hesitant to supply (Hilson, 2008). The potential for the successful application of a Fair Trade initiative hinges on identifying the reasons for the dependent trading relationships that exist already.

In addition to assuming that Fair Trade gold can be produced for retail in the global North, Fair Trade gold apologists assume that it *should* be produced—in other words, that the obstacles to its success notwithstanding, Fair Trade’s underlying ideology is a coherently established, positive tool for effecting poverty alleviation. This notion is problematic for a number of reasons, not the least of which are the competing visions within the Fair Trade network as to how a Fair Trade initiative “fits” into the neo-liberal agenda—either working within the rules of capitalism (“mainstreaming”) or offering an alternative to them. Moreover, consensus over the necessary conditions for partnership between small-scale producers (artisanal miners) and the (Western) alternative trade organizations (ATOs), as well as a coherent vision of what that “partnership” might look like, may be difficult to achieve. Indeed, Tallontire (2000, p. 175) suggests that for small-scale producers of Fair Trade coffee, contrary to the ATOs’ privileging of the “developmental aspects” of Fair Trade partnerships, “Fair Trade seems to be understood primarily in terms of

the market offered by fair trade, rather than a process of learning and self-help". These dynamics are redolent of the "ongoing negotiation" that must inform the analysis of Fair Trade gold's "current and future trajectory" (Raynolds and Long, 2007, p. 28). Without consensus on the aims and objectives of a Fair Trade gold initiative from its proponents, any policy measures are likely to be *ad hoc* and more susceptible to failure.

The Fair Trade movement, in general, and its gold initiative, in particular, respond to the critical calls for more bottom-up, participatory approaches to research on ASM in sub-Saharan Africa. This brings into relief the need for a discursive enquiry into Fair Trade gold. Indeed, the notion that the entire "ethical dimension of [its] partnership is based on participatory development" (Tallontire, 2000, p. 176) is evidenced by recurring tropes amongst Fair Trade's participatory discourse such as "organization" and "community". The creation of social norms can wash over complex differences essential to understanding the dynamics of poverty in ASM. For example, the unquestioned orthodoxy of "community" in Fair Trade discourse is echoed and reinforced in the policy agenda of small-scale mining that it proposes to work with. The protocol for Fair Trade gold's adoption states that "Fair Trade gold certification will only be given to *community* mining organizations, not individual miners or small-scale entrepreneurs" (ARM, 2007, p. 6, emphasis added). The representation of *galamsey*, for example, as a singular, static and largely homogenized community in need of improvement and empowerment ignores "interests and needs based on, for example, age, class, caste, ethnicity, religion and gender" (Cooke and Kothari, 2001, p. 6). "Rates of literacy and education" could be added to a list that constitutes a perpetuation of the "myth of community" (Gujit and Shah, 1998) that obscures a more complex understanding of a transient *galamsey* that may be historically or socially located (Peters, 1996). This, in turn, resonates with the need for a better understanding of the mining demographics that would lead to initiatives that are more efficiently designed with miners' needs and desires at their heart.

Calls for "new" approaches to reform ASM such as Fair Trade gold need to engage with epistemological challenges raised by the underlying ideology that participatory research assumes. There is an assumption that the purported benefits of Fair Trade are best achieved through a partnership framework based on, *inter alia*, "trust" and "shared objectives" one that, crucially, emphasises "participation" as central to its success (Tallontire, 2000, p. 172). For example, the homogenizing creation of social norms like *galamsey*, "community" and, in the case of the Fair Trade discourse, "co-operative", may have the effect of overshadowing contested issues such as race, gender, class, age, identity and participant motivation. Moreover, the tendency to represent artisanal miners as rational economic actors who are only motivated by potential increases in income belies a more complex understanding of individual agency. Incentives to participate in reform change over the life-course of miners who may have livelihood strategies that include systems of reciprocity and relationships with kinship or chieftaincy. In order to understand better the motivations of illegal miners and to formulate more appropriate ASM policy, social norms need to be questioned critically to reverse the "second place [they are] given to economic rationality" (Cleaver, 2001, p. 48).

Entrenched within the rhetoric of partnership and participation, "success" cannot simply be predicated on those other successes found historically in the Fair Trade coffee model. Any critique must engage directly with both the political and ecological dimensions of a move towards Fair Trade Gold and with the epistemological challenges that it raises. It should be noted, however, that whilst it is essential for future research to be cognisant of "the individual, the subjective, and the symbolic", it

must be alert to the dangers of going "too far" and must maintain the salience of politics in debates to come (Raynolds, 2002, p. 407). Fair Trade gold is a rapidly evolving and always dynamic series of initiatives. Alongside pilot projects promoting "green" Fair Trade gold (Oro Verde, 2006), a raft of other programmes are regularly emerging, marketing their gold as variously "ethical" (Urth, 2007), or "sustainable", each to varying standards, some of which only refer directly to large-scale mining. This results in confusing, sometimes contradictory, messages being sent to consumers and producers of gold, and threatens the individuality of the Fair Trade message.

## Conclusion

Reform of ASM has shown disappointing results despite the sometimes hubristic rhetoric to the contrary. Indeed, the World Bank's exposition that "mining sector reform works...in Africa as on other continents" is far from the "clear" notion that it claims (World Bank, 2007). A review of the literature critiquing this orthodox view has shown how problems, such as environmental degradation, health and safety risks and a prevalence of child labour persist and demarcate the sub-sector as an industry in need of both constant reform and a more equal dialogue between: policy-makers and small-scale miners; foreign owned MNCs and local communities; and the IFIs and developing country governments. Such dialogue, it has argued, needs to include greater cultural understanding and should result in more considered approaches to policy alternatives in the areas of technical initiatives, "alternative livelihoods", and most recently, Fair Trade certification. The arguments follow that improvements can only be made if ASM is better understood through the generation of more accurate and reliable data. Moreover, without amelioration of census data and more robust poverty indicators, ASM will fail to overcome the attendant formalization challenges and will continue to be beset by inadequate reform prescriptions.

Many of the shortcomings of reform policy in ASM reviewed above are critiqued as being too paternalistic and top-down in their outlook at the expense of more considered, rigorous and "bottom-up" attempts to engage directly with mining communities in the reformatory process. The critical response has, as a result, argued for a greater emphasis to be placed on participatory approaches to development in the ASM sub-sector, one that aims to "increase the involvement of socially and economically marginalized peoples in decision making over their own lives" (Gujit and Shah, 1998, p. 1). A common conclusion from existing critiques of ASM reform asserts that, in order to avoid the duplication of erstwhile unimpressive results in the sector, policy makers at all levels need to embrace bottom-up policy approaches whereby they work in *partnership* with "members of the local artisanal mining community [in] the development of any initiatives" (Hinton et al., 2003, p. 102).

However, many of the critiques reviewed above, as well as new policy proposals such as the Fair Trade gold initiative, are located within an orthodox discourse of participatory development. As such, they must face epistemological challenges that go beyond self-critique (Chambers, 1997, p. 32) and towards an "authentic reflexivity" that paradoxically "requires a level of open-mindedness...and a preparedness to abandon" participatory development should it be inevitably tyrannical (Cooke and Kothari, 2001, p. 15). Notwithstanding the centrality of this critically cultural turn, "the challenge...appears to be to maintain a commitment to issues of power and politics, without resorting to overly structural, rigid, uni-dimensionally 'driven' models of what are in reality complex, dynamic, and fluid commodity networks" (Raynolds, 2002, p. 407). Since Fair Trade gold is likely to be initiated more

broadly across a Western retail market, future initiatives need to be critically analysed according to the specificities of ASM while remaining cognisant of the pitfalls of a homogenizing discourse.

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