Artisanal and small-scale gold mining as a tool for development?: Addressing the twin challenges of environmental destruction and informality

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Artisanal and Small-scale Gold Mining (ASGM): Not Such a Small Scale Activity

• ASGM: Gold mines of 1-100 workers, informal and using rudimentary techniques.

• 10-30 million people directly employed*, 90% of gold mining workforce**, 20% of global gold production***.

• A tool for development?


The challenges

- Major anthropogenic source of mercury pollution*, among other environmental challenges
- Largely informal, as most ASGM operations lack mining titles
  - Formal/informal economic duality (de Soto)
  - Links to organised crime, conflict
  - Denies tax revenues to the state
  - Difficult to regulate

Framing the discourse

- Change in discourse from ASGM as a criminal activity to a poverty driven one

Mercury use

- Miners use mercury because of ‘tradition and ignorance’
- Mercury is not a technical problem: One must pay attention to the ‘social dynamics of mercury use’


Methods

- 3 months fieldwork in Antioquia, Colombia in 2015
- Focus on mining towns and processing centres
- Interviews
- Hanging out
- Purposive observation
- Reference to secondary sources for technical details
Antioquia, Colombia

- 30,000+ miners in Antioquia*.
- 200,000+ miners in Colombia**.
- 85% of Colombian gold from mines without titles***.
- 97% of mines lack environmental licenses***.
- Worst mercury polluter per capita in 2011**.
- Recent improvements****!


Antioquian miners

- Male dominated workforce (regional particularity*)
- Largely ‘non-ethnic’ or mixed ethnicity
- Self identify as traditional miners
- Pre-Columbian mining operations
- Discourse of mining and nation building
- Nomadic mining operations
- Positionality: foreigner with an externally driven research agenda

The backbone of the nation or criminals?

Credit: El Colombiano 2013
Ball Mills (Cocos)
Cyanide Leaching
Cyanide Contamination
Formalisations by Subcontracting

- ASGM signs a contract with LSM
- ASGM works in larger title
- ASGM uses LSM cyanide plant
- ASGM complies with legislation
- LSM collects profit

- Framed as mercury reduction
Operating like a business

• Increase in scale
• Engagement with bureaucracy
• NOT a transition to cash economy
• Formality as a performance of citizenship

• “Developing Training Materials to Promote the Reduction of Mercury Use in ASGM” by developing a “Business planning [module] to increase capacity of the ASGM sector to engage with the private sector and facilitate investment”*

APEC Secretariat (2016). Request for proposal (RFP) – Developing training materials to promote the reduction of mercury use in artisanal and small scale gold mining, MTF 01 2016A.
# Spot the state

<table>
<thead>
<tr>
<th>The State</th>
<th>LSM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants the right to mine</td>
<td>Grants the right to mine</td>
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<tr>
<td>Requires regulatory compliance</td>
<td>Requires regulatory compliance</td>
</tr>
<tr>
<td>Requires payment for granting mining right</td>
<td>Requires payment for granting mining right</td>
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<tr>
<td>Right to use violence to ensure compliance</td>
<td>Effective ability to use violence on their behalf to ensure compliance</td>
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</tbody>
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A new mode of mining?

- GCG-78% of gold extracted in Segovia is from ASGM*-is GCG a mining company?
- LSM-ASGM relationships set to increase?
- Noticeable in Peru, Colombia, Philippines, Indonesia
- Small to medium scale mining
- Transition from capital intensive mining to flexible labour intensive mining

The future of ASGM and interventions

- ASGM seems to be growing in the Pacific, South East Asia and Latin America
- Indonesian Centre for Artisanal Mining (INCAM)
- APEC Secretariat training programme
- Artisanal Gold Council
- Canadian International Resources Development Institute (CIRDI)
- Meech Working Group
Ways forward for ASGM

• Increased attention towards and transparency of ASGM-LSM relationships
• Mineral supply chain transparency
• Fairmined minerals
• Less assessment, more delivery
• Formalisation campaigns tailored towards miners
• Frame mining as a profession, not a criminal activity
• Miner agency

Comments and suggestions appreciated!