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‘Once a miner, always a miner’: Poverty and livelihood diversification in Akwatia, Ghana

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A B S T R A C T

This paper offers an alternative viewpoint on why people choose to engage in artisanal mining – the low tech mineral extraction and processing of mainly precious metals and stones – for extended periods in sub-Saharan Africa. Drawing upon experiences from Akwatia, Ghana's epicentre of diamond production since the mid-1920s, the analysis challenges the commonly-held view that the region's people are drawn to artisanal mining solely because of a desire ‘to get rich quick’. A combination of events, including the recent closure of Ghana Consolidated Diamonds Ltd's industrial-scale operation and decreased foreign investment in the country's diamond industry over concerns of it potentially harbouring ‘conflict’ stones from neighbouring Côte D'Ivoire, has had a debilitating economic impact on Akwatia. In an attempt to alleviate their hardships, many of the town's so-called ‘lifetime’ diamond miners have managed to secure employment in neighbouring artisanal gold mining camps. But their decision has been condemned by many of the country's policymakers and traditional leaders, who see it solely as a move to secure ‘fast money’. It is argued here, however, that these people pursue work in surrounding artisanal gold mining communities mainly because of poverty, and that their decision has more to do with a desire to immerse in activities with which they are familiar, that offer stable employment and consistent salaries, and provide immediate debt relief. Misdiagnosis of cases such as Akwatia underscores how unfamiliar policymakers and donors are with the dynamics of ASM in sub-Saharan Africa.

1. Introduction

On 2 July 2009, a front-page column with the heading, ‘Akwatia is dying’, was published in the *National Star*, one of Ghana's newspapers. Long the epicentre of diamond production in the country, Akwatia has deteriorated rapidly over the past decade. The recent closure of The Ghana Consolidated Diamonds (GCD) Mine, a state-owned, mechanized operation and the lifeblood of the town for decades, has left hundreds of people jobless. With few alternative employment prospects, most former employees of GCD have joined their colleagues in alluvial diamond fields, either as part of ‘tributor’ arrangements on the company's concession itself[1] or in surrounding diamondiferous areas.

This work, however, has only managed to provide temporary economic relief. Akwatia's accessible surface diamonds have nearly depleted. A shortage of capital has prevented miners from securing the equipment needed to access stones at greater depths.[2] The column in the *National Star* points out that in response, ‘inhabitants and sojourners are now deserting the town with the explanation that there are no job opportunities…’[3] Most have managed to find employment at the sprawling unlicensed artisanal gold mining[4] camps in neighbouring localities such as Kobriso, Kibi and Akanten, which have provided a steady source of income for the first time in many months. But their selection of work has not gone unnoticed by Ghana's traditional leaders and policymakers, many of whom have condemned the move.[5] As one senior government official put it during a recent interview: ‘once a miner, always

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[1] The Tributor System was set up in the late-1980s, emerging from lengthy discussions with former GCD employees and company officials. The idea was that GCD would lease out sections of its concession – small plots – to concessionaires or ‘tributors’, who would be required to sell all extracted diamonds back to the company. The move proved doubly beneficial: on the one hand, it provided former GCD workers, laid off because of the company's financial problems, with work, and on the other hand, it provided the company, which was using inefficient production processes at the time, with a much-needed stream of revenue.

[2] According to several local miners, renting an excavator for a 5 hour period costs in the range of US$750, excluding petrol.

[3] ‘Akwatia is Dying’ *National Star* 02 July 2009.

[4] Artisanal mining is rudimentary, manual ore extraction and processing, and is carried out in most developing countries.

[5] See ‘Okyenhene calls for halt in illegal mining activities’ http://www.ghanadistricts.com/news/?read=27507 (Accessed 05 August 2009).

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a miner', furthermore explaining that these individuals have turned to 'environmentally-destructive' and 'illegal' gold mining because they are always looking for 'fast money' or to 'get rich quick'.[6]

Views of this nature are by no means exclusive to Ghana. Policymakers and donor bodies have long portrayed the burgeoning artisanal mining activities now found scattered across sub-Saharan Africa in a negative light, frequently attributing their expansion to entrepreneurial, 'get rich quick' mentality (see ILO, 1999; World Bank, 2005). These – often unsubstantiated – views continue to resonate, despite a growing body of evidence (Hinton et al., 2003; Hilson and Pardie, 2006; Maconachie and Binns, 2007) that points to the rapid growth of the region's artisanal mining activities being strongly linked with poverty (Mondlane and Shoko, 2003; Banchirigah and Hilson, 2009). The current situation unfolding in Akwatia reinforces this position: that contrary to the views of many policymakers, the locality's diamond miners have chosen to pursue work in neighbouring gold mining communities because of economic hardship, *not* necessarily because they are looking to 'get rich quick'.

Misdiagnosis of cases such as Akwatia raises several important issues for discussion concerning the specific role of artisanal mining in sub-Saharan Africa, foremost the need to clarify when the 'get rich quick' narrative applies and why donors and host governments have been reluctant to fully accept that the sector is now an integral part of the region's rural economy. Of equal importance is the need to determine why, once immersed, so many Africans remain engaged in artisanal mining for extended periods – specifically, why, once deposits at one site have depleted, they choose to migrate to another artisanal mining community in search of work, and not pursue employment in other industries. Are the region's policymakers correct in associating such 'once a miner, always a miner' behaviour with the 'get rich quick' narrative and accompanying rush-type activity?

This paper argues that in sub-Saharan Africa, the 'get rich quick' narrative only applies to particular cases and at certain points in time. Donors and host governments have long viewed the ASM sector far too homogeneously and statically when, in fact, its activities are highly dynamic, rapidly change shape, and attract individuals from different backgrounds at different stages of their existence. The case of Akwatia is used to explore these issues further. After reviewing background debates on rural livelihood diversification and artisanal mining in sub-Saharan Africa, the paper provides an extended analysis of the situation unfolding in Akwatia, drawing upon feedback from interviews with local diamond diggers and buyers. It concludes by examining the policy implications of misdiagnosing cases such as Akwatia.

2. 'Transitional' livelihoods and the rise of artisanal mining in rural sub-Saharan Africa

Over the past two decades, a breadth of scholarship has emerged that examines rural livelihood diversification in sub-Saharan Africa. An important conclusion drawn by this body of literature is that most of the region's rural households derive significant shares of their incomes from activities *outside* of agriculture (Barrett et al., 2001). The earliest scholarly works on the topic simply sought to bring this issue to the fore, presenting data which underscored inhabitants' levels of dependency on nonfarm activities at the time and details of incomes generated. The information gathered and subsequently analyzed from rural surveys carried out in the 1970s and 1980s confirmed that 'nonfarm activities [were] provid[ing] an important share of household income, contrasting with the conventional image of rural African households as deriving their food entitlement from the land' (Reardon et al., 1994, p. 1172).

Towards the end of the 1980s and throughout the 1990s, scholars pooled these data to provide more detailed pictures of the livelihood diversification patterns unfolding in rural sub-Saharan Africa. One of the first comprehensive reviews was produced by Haggblade et al. (1989), who projected at the time that the region's 'rural inhabitants typically derive 25–30% of their income from nonfarm activities' which, 'because they are monetized to a much larger extent than agricultural production', constitute an 'even larger share of cash income', accounting for '30–50% of rural cash incomes' (p. 1178). Nearly a decade later, Reardon (1997) produced an equally-detailed study, concluding, from an analysis of 25 (published) country cases, that the average share of household income derived from nonfarm sources (in these countries) was in the range of 45%. Several other studies emerged in the 1990s (e.g. Reardon et al., 1994; Bryceson, 1996) which further brought to light this phenomenon.

More recent scholarship has attempted to come to grips with the drivers of livelihood diversification in rural sub-Saharan Africa and its policy implications. The latter is a particularly contentious issue at present: a significant share of the aid earmarked for development in rural sub-Saharan Africa – dispensed by the likes of The World Bank, African Development Bank and bilateral agencies, and often implemented under the auspices of Poverty Reduction Strategy Papers (PRSPs) – targets smallholder farming which, in the current economic climate, may be a nonstarter. The marked changes that took place across the region under structural adjustment (Structural Adjustment Programs or SAPs) in the 1980s and 1990s, including the opening up of crop parastatals to private sector competition, the devaluation of local currencies and the removal of subsidies on vital crop inputs, have made smallholder farming a difficult undertaking (Chilowa, 1998; Bryceson and Bank, 2001; Bryceson, 2002). Bryceson (1999, p. 173) offers a detailed account of what these changes have meant for the subsistence farmer in sub-Saharan Africa:

> 'SAP and economic liberalization policies resulted in a plethora of changes in rural productive and marketing infrastructure that often increased rather than reduced uncertainty. Many remote peasant farming areas experienced a decline in marketing services and the removal of subsidies on agricultural inputs, especially fertilizers, made the production of several peasant crops unviable…This environment induced a large-scale search for new, more remunerative activities outside agriculture'.

Many smallholders, therefore, have turned to the nonfarm economy for their incomes, repositioning themselves to take advantage of changing markets. This adaptation is recognized to be 'typically positively correlated with income and wealth (in the form of land and livestock) in rural Africa, and thus seems to offer a pathway out of poverty if nonfarm opportunities can be seized by the rural poor' (Barrett et al., 2001, p. 316).

The literature identifies a number of nonfarm activities which farmers across sub-Saharan Africa have taken up, an exhaustive list that includes blacksmithing, carpentry and an array of service industries such as transport and trading. Quite surprisingly, however, little mention is made of artisanal mining, which, over the past decade, has become a popular – and possibly, the most important – rural nonfarm activity in the region. But despite its omission from the mainstream rural livelihood diversification literature, the sector does receive some coverage in wider analyses of African rural economy. Since the mid-1990s, it has frequently been portrayed in the literature as a 'pathway out of hardship' and now carries the label 'poverty-driven activity' (see Barry, 1996; ILO,

6 Interview, Government Official, Accra, 05 May 2009.