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**Strained Relations: A Critical  
Appraisal of the Mining Conflict in  
Prestea Town (Ghana)**



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# Strained Relations: A Critical Appraisal of the Mining Conflict in Prestea Town (Ghana)<sup>‡</sup>

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## Abstract

This paper examines the dynamics of the ongoing conflict in Prestea, Ghana, where indigenous *galamsey* mining groups are operating illegally on a concession awarded to Bogoso Gold Ltd. (BGL), property of the Canadian-listed multinational Golden Star Resources. Despite being issued firm orders by the authorities to abandon their activities, *galamsey* leaders maintain that they are working areas of the concession that are of little interest to the company; they further counter that there are few alternative sources of local employment, which is why they are mining in the first place. Whilst the Ghanaian Government is in the process of setting aside plots to relocate illegal mining parties and develop alternative livelihood projects, its efforts are far from encouraging: in addition to a series of overlooked logistical problems, the areas earmarked for relocation have yet to be prospected, and the alternative income-earning activities identified have proved highly inappropriate. The key to resolving the impasse at Prestea rests on increased dialogue between the conflicting parties; restoring community trust, particularly in the government; and carrying out community-level research to identify and develop *appropriate* alternative livelihoods.

**Keywords:** *galamsey*; mining; Ghana; gold; conflicts; livelihoods

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## Introduction

In recent years, considerable research has been undertaken to identify the principal drivers behind pervasive natural resource conflicts in the developing world. Within many states now reliant upon the exportation of primary commodities – particularly oil and precious minerals – for economic sustenance, civil violence has been widespread. As Le Billon (2001, p. 561) explains, “Throughout the 1990s, many armed groups...relied on revenues from natural resources such as oil, timber, or gems to substitute for dwindling Cold War sponsorship...[These] resources not only financed, but in some cases motivated conflicts, and shaped strategies of power based on the commercialisation of armed conflict and the territorialisation of sovereignty around valuable resource areas and trading networks”. Humphreys (2005) reviews a number of the underlying factors behind these conflicts. These include the presence of conflicting rebellious factions and their desire to control resource-rich regions; the involvement of foreign corporations seeking to earn profits at the expense of marginalised groups; weak state infrastructure; and autocratic governments fixated on earning revenues from commodities but unconcerned with eliminating the bureaucracies preventing the “trickle down” of profits to communities. Problems have been exacerbated by numerous policy contradictions, impoverishment, uncertainty and poor monitoring practices (after Nie, 2003).

There is now a burgeoning literature profiling at length cases of natural resource conflict induced by civil violence. These discussions, however, have heavily overshadowed the analysis of less violent – albeit equally-problematic – mining-community conflicts, which have also induced widespread poverty and rural dislocation. As Ballard and Banks (2003, p. 296) explain, “Mineral resources, along with oil, pose particular challenges to states in terms of their relationships with local communities in the vicinity of a project...[largely because of] the multiple and often conflicting interests being pursued by elements of the state”. Some of the most serious mining-community disputes have involved indigenous artisanal mining<sup>1</sup> groups and large-scale miners.

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<sup>1</sup> Throughout this paper, the terms “artisanal mining” and “small-scale mining” are used interchangeably. Both comprise the most rudimentary branch of the mining sector.

In the *Global Report on Artisanal and Small-Scale Mining* (Hentschel et al., 2002), an integral output of the seminal Mining, Minerals and Sustainable Development (MMSD) Project, it is argued that “...within the framework of growing social sensitivity and the efforts to apply policies of sustainable development, large mining companies have developed in the last years a new outlook towards communities that are located within the areas of influence of their mining projects and which are frequently inhabited by artisanal miners” (Hentschel et al., 2002, p. 56). Nothing, however, could be further from the truth: in recent years, tensions between artisanal and large-scale mining parties have escalated, particularly in sub-Saharan Africa. Efforts made to mediate such disputes and concurrently formalise small-scale mining activities (see UN, 1996; ILO, 1999; UN, 2002), including the enactment of licensing processes, credit schemes and extension, have, for the most part, been ineffective. The contentious issue – and the source of conflict between these parties – is security of tenure, which grassroots operators contend is insufficient given the costs, paperwork and labours associated with securing a mineralised plot of land through legal channels.

Among the more widely documented mining conflicts are the ongoing feuds and standoffs between Ghana’s indigenous *galamsey*<sup>2</sup> and large-scale miners. In addition to poor regulatory strategy and ineffective policy, these disputes are inextricably linked to the country’s multi-tiered system of land rights, a problem that burdens most of sub-Saharan Africa:

*“Underlying and exacerbating [Africa’s problems]...is a more fundamental problem: the nature of African land tenure. Throughout Africa, property rights to land are fluid and insecure. Private property, state ownership, and communally defined rights coexist in an ever-changing mix. Definitions of communal tenure continually shift. The farmer or entrepreneur who claims land under one property rights system can never be certain when (or if) others will challenge his claims; neither can he predict whose claims the local community or state will uphold”. [Firmin-Sellers, 1996, p. 1]*

The root of these conflicts stems from the country’s superimposed system of land regulations governing mining activities: whilst the Constitution “guarantees the right of every person to own property alone or in association with others” (da Rocha, 2003,

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<sup>2</sup> A local term given to illegal artisanal miners, the literal translation of which is “gather them and sell”.

p. 29), the *Minerals and Mining Law* (PNDCL 153), 1986, vests all minerals in the state and authorises the government to acquire mineralised land at will. Under *traditional* communal land tenure systems, the direct descendents of a landholder inherit their rights without losing them to a larger group (Asabere, 1994). Typically, “a customary authority, such as a tribal chief, grants claims and regulates the transfer of land” (Besley, 1995, p. 904), which may be owned by stools or skins, clans, families, individuals, groups of individuals, corporate bodies or the state (da Rocha, 2003). Artisanal *galamsey* claim that they have secured the “permission” of the traditional landholder to mine and/or have the authority to work on companies’ concessions; large-scale mine managers, on the other hand, maintain that they have exclusive rights to land, having secured concessions through legal channels by obtaining the requisite permits from government. Both groups present valid arguments, often forcing the authorities to assume the role of mediator.

Today, the most pressing of Ghana’s mining conflicts persist in Prestea, where numerous *galamsey* “gangs” have converged, working portions of an idle underground gold deposit situated within Colorado-based (and Canadian-listed) Golden Star Resources’ mine concession. In March 2005, the government issued a firm order for Prestea-based *galamsey* camps, including Number Four Bungalow, “I Trust My Legs”, ECOMOG, Kutu Kutu and others working the Bondaye Shaft, to abandon their operations. The demand was met with considerable resistance: local leaders countered by arguing that there are few alternative employment opportunities for villagers, the majority of whom are redundant large-scale mine labourers and skilled professionals, and that *galamsey* activities have been the lifeblood of Prestea Town since the late-1880s, long before Western involvement in the country’s mining sector. Whilst conflict resolution measures have been proposed by the authorities and Bogoso managers, the majority are inappropriate, reflecting a poor understanding of the nature of the dispute and needs of target *galamsey* populations. Moreover, both groups have done little to initiate dialogue with the residents of Prestea, which is the key to identifying effective means for resolving ongoing conflicts without violent repercussion.

The purpose of this paper, therefore, is twofold. First, it critically analyzes the dynamics of the impasse at Prestea, presenting the perspectives of each group – those

of Bogoso staff, government officers and the *galamsey* – on the current debate. Second, the paper critiques the conflict resolution measures proposed both by the government and BGL, identifying the shortcomings of each. The paper concludes by outlining appropriate mechanisms for resolving ongoing disputes in Prestea.

## **History of Prestea Town**

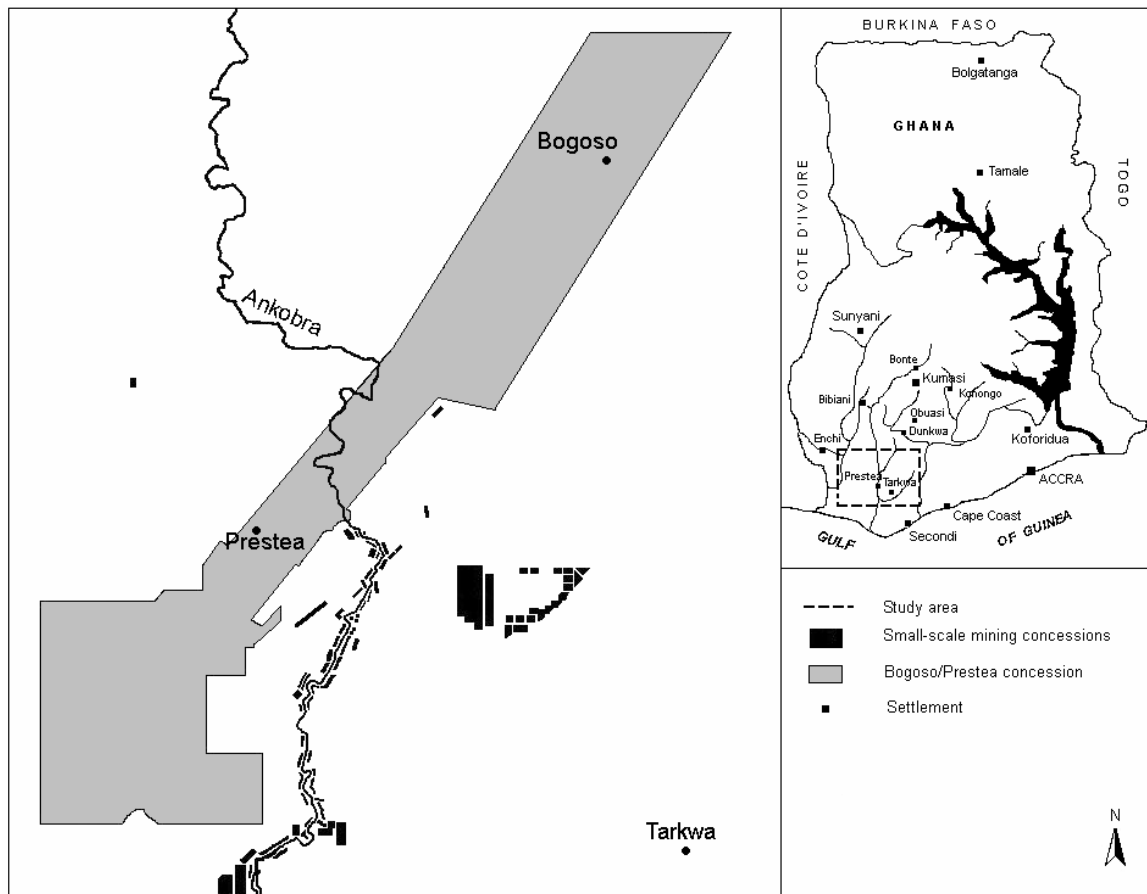
For over 100 years, Prestea<sup>3</sup>, which is located in south-west Ghana approximately 200 kilometres west of the country capital of Accra, has been an important location for industrial-scale gold mining. According to the Ghana Chamber of Mines, to date, more than eleven million ounces of gold have been produced in Prestea and the adjacent Bogoso locality. Currently, Golden Star Resources, has a 90% stake in Bogoso Gold Limited (“BGL”), which owns the 145 km<sup>2</sup> Bogoso concessions; the surface mining rights (to a depth of 200 meters) of the adjoining 129 km<sup>2</sup> Prestea property; a joint venture interest in the Prestea underground mine; and a number of contiguous properties west and north of Bogoso, known respectively as Akropong and Dunkwa (see Figure 1). Over the past two decades, these concessions have changed ownership several times (Golden Star Resources, 2004). This has caused considerable confusion in the community, and has gone a long way toward fuelling the current conflict at Prestea.

The State Gold Mining Corporation (SGMC) began mining in Prestea during the early-1960s, and subsequently obtained a mining lease to both local surface and underground mineral rights through its subsidiary, Prestea Goldfields Limited (PGL). Production at the underground operation, however, began to stagnate in the 1970s and early-1980s, which, along with other underperforming sites countrywide, prompted the government to implement, alongside its national Economic Recovery Program (ERP), an ambitious program of mine privatisation. Following lengthy discussions with, among others, the Divestiture Implementation Committee, the government

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<sup>3</sup> According to local tradition, the name “Prestea” is a corrupted pronunciation of the phrase “Preston’s Well”. In the 1700s, an Englishman known as “Preston” had constructed a well to aid with the excavation and processing of local surface gold deposits ubiquitous in the area at the time.

signed, between 1994 and 1996, three agreements with the Johannesburg Consolidation Investment Group (JCI Barnex Group).



**Figure 1 Golden Star Resources Ltd.’s BGL Concession, Western Region, Ghana**

The details of these agreements are as follows:

- 1) A mining lease agreement (13/10/94), forged between JCI Barnex and the government covering an area of 129.05 km<sup>2</sup> of the Prestea concession (providing both surface and underground rights).
- 2) A project development agreement (13/09/95), forged between the government, SGMC and PGL on the one hand, and JCI Barnex on the other.
- 3) A “main agreement” (20/05/96), which empowered JCI Barnex to assume full management of the existing Prestea underground operation.

The mining rights granted to JCI Barnex provided entitlement to SGMC dumps, tips, deposits, tailings and calcines.

In September 1998, however, JCI Barnex announced that it was closing the underground project, selling the accompanying mining rights on account of declining gold prices and continued financial losses. This was met by strong opposition from employees, who, in turn, formed Prestea Gold Resources (PGR); in December 1998, PGR was granted a permit to continue operating underground<sup>4</sup>. Despite the optimistic efforts of its staff to address inefficiencies and mine profitably, financial records indicate that the company incurred heavy financial losses in 1999 (US\$1.3 million), 2000 (US\$1.8 million) and 2001 (US\$4.6 million): it had become apparent that immediate action was needed in order to save the company from complete collapse. At the end of 2001, PGR had not paid five months arrears of employee salaries, prompting a section of the workforce to take action on the 20<sup>th</sup> of January 2002 to secure their payments; the mine was closed shortly after.

In March 2002, a joint venture was made between BGL, SGMC, the Ghana Mine Workers Union, the Ghanaian government and PGR to manage Prestea's underground operations. All parties agreed that BGL should provide the necessary funds of US\$2.4 million dollars to pay employee arrears, severance benefits, and outstanding debts to smaller creditors. Two separate payments were to be made: a) US\$1.6 million immediately; and b) US\$0.8 million upon recommencement of mining activities. It was also agreed that BGL would finance the joint venture and assess the future feasibility of the underground project in Prestea.

Whilst large-scale mining activity continues to flourish throughout Bogoso and adjoining areas, since the signing of the aforementioned agreements, Prestea has been a location of intense disputes between mining parties and the government. For economic reasons, the underground operation, long the chief source of employment in the town, was not reopened by BGL, prompting thousands of locals and migrant labourers to continue mining the deposit as unregistered *galamsey*. Despite working in areas where the company is not operating and appears to have little intention to work, the government has repeatedly called for all illegal artisanal gold miners operating in Prestea to abandon their activities. Tensions have been exacerbated by BGL's refusal to relinquish unused portions of its concession – the underground

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<sup>4</sup> The pooling together of some US\$2 million in statutory terminal benefits paid to workers by JCI Barnex was used as working capital to finance the restart of operations.

deposit in particular – as well as the refusal of Golden Star Resources, which acquired the concession in 2004, to honour a resettlement package negotiated by its predecessor<sup>5</sup>. The chronology of events around conflict in Prestea is summarised in Table 1.

Year	Events
1873	Mining, primarily underground, starts at Prestea. At the time, the Prestea concession comprised a number of different licenses secured by several independent mining companies.
1965	All companies operating at the current Prestea concession were amalgamated by the post-independence government of Ghana into Prestea Goldfields Limited under the State Gold Mining Corporation (SGMC). Prestea Goldfield Limited begins working both surface and underground gold deposits.
1986	The Minerals and Mining Law (PNDCL 153) is passed, which vests all minerals in the state.
1994	Johannesburg Consolidation Investment Group (JCI Barnex Group) wins a privatisation bid for participation in Prestea mining operation.
September 1998	JCI Barnex closes down the underground mine at Prestea.
December 1998	Prestea Gold Resources (PGR) is formed by ex-employees of underground mine, and is granted a permit by the government to operate the underground mine.
June 2001	The Government of Ghana grants BGL a lease for surface rights down to a depth of 200 metres. It furthermore grants PGR the rights to mine underground below this level. BGL acquires the Prestea mining lease for a period of 30 years, which covers surface and mining rights.
February 2002	PGR ceases operation of the Prestea underground mine after incurring a series of financial losses.
March 2002	The Prestea Underground Joint Venture is formed between BGL, SGMC, the Ghana Mine Workers Union, the Ghanaian Government and PGR to manage Prestea's underground operation. It is agreed that BGL manages the venture.
1 December 2004	BGL (90% subsidiary of Golden Star Resources) acquires 90% of the interest in the Prestea underground mine (the remaining 10% is acquired by the Government of Ghana).
May 2005	The Government of Ghana announces its relocation plans for illegal miners operating in Western Region.

**Table 1 Chronology of major events in Prestea, 1870s-present**

To improve understanding of the current impasse at Prestea and identify possible ways forward, semi-structured interviews were conducted with government officials, BGL officers, representatives from local NGOs, and *galamsey* between May and September 2005. The data presented in the sections that follow were, therefore, drawn from the verbatim transcripts of interviews with respondents, supplemented

<sup>5</sup> Prior to Golden Star Resources' takeover of the BGL concession, two separate consultations were held with locals to identify an appropriate course of action for resettlement and compensation. Despite lacking the funding to carry through with the promise, BGL gave locals the impression that the agreement reached would be legally-binding, flying in the company's chief executive at the time to participate in negotiations and sign a document detailing the plans for resettlement. It is alleged that the company, in addition to having agreed to provide millions of dollars in compensation, was prepared to relocate affected Presteans to a location with provisional housing, an access road, 10 boreholes, a school and a bus service. Once Golden Star Resources acquired a majority stake in BGL, however, none of these agreements were upheld.

with material from the literature. All quotations represent word-for-word transcriptions from tapes; in each case, pseudonyms are used to preserve anonymity. Analysis of each viewpoint is essential if appropriate conflict resolution mechanisms are to be identified.

Drawing upon these findings, the next section of the paper summarises key stakeholders' perspectives on the conflict.

### **Perspectives on the Impasse at Prestea**

In Ghana, land use disputes between large-scale miners and *galamsey* groups are certainly not endemic to Prestea. Since reforming the mining sector in the mid-1980s, the Ghanaian government has faced the onerous challenge of uprooting indigenous artisanal mining groups from concessions demarcated to multinational mining corporations. Many now concede that the illegal mining issue has become unmanageable in Ghana, and is in need of immediate attention; conservative estimates place the *galamsey* population at 200,000.

Each stakeholder group presents valid arguments in support of its position: the managers of predominantly foreign-based mining companies charge that they have exclusive rights to land, having secured concessions through legal channels by obtaining the requisite permits; artisanal *galamsey* claim that they have indigenous ties to land, have obtained permission to work on companies' concessions, and/or that recent policy changes are inappropriate because they had previously operated undisturbed; and the government argues that as an authority, it – and it alone – is responsible for mining-related policy issues in the country, which includes decisions on where people can operate. Today, tensions are widespread throughout several mining localities, including Obuasi, Tarkwa and Bibiani.

The impasse at Prestea, however, is a unique case that has attracted considerable attention in both local and international media channels. Tensions peaked in June 2005 when, during a public demonstration against BGL's operations, the army opened fire on the crowd, wounding seven locals. The nature and sensitivity of the conflict,

therefore, requires identification and implementation of site-specific conflict resolution measures.

### The Government and BGL

Initially, the Ghanaian government had set a March 31<sup>st</sup> 2005 deadline for all *galamsey* miners to vacate the BGL concession. As was explained by the Regional Minister, “the exercise...is not intended to deprive [illegal] operators of their means of livelihood but to safeguard national security”<sup>6</sup>; he furthermore stressed that the ban was part of a national government policy aimed at phasing out illegal mining. The official press statement issued by the Chief Director of the Ministry of Lands, Forestry and Mines, and reproduced in the 31/05/05 issue of the *Daily Graphic* reads: “For the past two years, illegal miners have invaded this concession, making it difficult for the company to carry out its planned programmes”. The proposed action, however, is simply another strand of what is arguably a confrontational policy stance taken toward illegal mining. Despite claiming in the press statement that “Government decided that to show a ‘Human Face’ to the exercise by ensuring that some areas were identified to enable illegal miners who were arrested in becoming small scale miners to move to”, with few exceptions, the standard approach taken to deal with illegal mining in Ghana is force – that is, to solicit the services of the army and security forces.

This stance is a manifestation of how BGL officers and government officials have conceptualised the impasse. Although there is consensus worldwide that ASM is “typically practised in the poorest and most remote rural areas by a largely itinerant, poorly educated populace, men, and women with few employment alternatives” (MMSD, 2002), few of the officers consulted conceded this to be the case in Prestea, despite the wealth of evidence pointing toward poverty and a lack of alternative employment being the principle driving forces of local *galamsey* activities. Company officials believe the problem is more of an issue of community perception rather than economic survival:

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<sup>6</sup> “Galamsey to be banned in the Western Region this month”, *Public Agenda* 18/03/05, Accra.

*“The main issue is...the mindset of those people – the galamsey people – whatever the government has to do to change their mindsets. It’s an issue of mindset change. Unless that is really done, and like I said, there should be some radical way of doing it. There should be a radical way of getting them another job...Prestea people think there are unique, they are in a different state, and they can make their own constitution”. [BGL official]*

The majority of policymakers support the position of the company, although their reasons for doing so are debatable: despite participating in few meaningful exercises aimed at addressing the social aspects of illegal mining, most are quick to provide an unsubstantiated view of the mindsets of its participants. Generally, Ghanaian government officials view *galamsey* as a threat to wider society, and have made a concerted effort to inform the wider public of the “menacing” nature of illegal gold mining<sup>7</sup>. Despite the passivity of Prestean *galamsey* and their willingness to engage in peaceful dialogue with BGL and the authorities, there now appears to be near-consensus in government circles that illegal miners are “violent” and should be avoided at all costs. As one government official put it:

*“But at times the guys are, you know, violence, it is not that you go, flag...and say ‘I am a regulator, I have come [so] you have to leave the place’. They may lynch you! So, we cautiously discuss with them...”*

Another official argued that “they [*galamsey*] are mostly the wanted criminals and escaped convicts of our society who are fleeing the authorities to make money and are [therefore] dangerous”<sup>8</sup>.

The government, in particular the EPA, has used the media to make public these views. For example, in a recent article published in the *Washington Herald* and reproduced in several other newspapers, including the *Toronto Star* and *Washington Times*, an EPA officer is quoted as saying: “they [*galamsey*] are illegal operators, and they are armed, very violent, and they don’t obey any rules” (Palmer and Sackey, 2004). Paradoxically, the very officers who have gone to such lengths to publicise

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<sup>7</sup> The pre-existing website of the Ghana Chamber of Mines, the representative body of the country’s mining sector, described the *galamsey* as a “menace”, as has the Bank of Ghana, which, in its recent publication *Report on the Mining Sector* (Bank of Ghana, 2003), refers to the existence of widespread artisanal gold mining activity as “The Menace of ‘Galamsey’ Operations”.

<sup>8</sup> The misconception is that the majority of Ghana’s artisanal miners are men. In the legalised segment of sector, at least 15% of workers are women; in the *galamsey* segment, an estimated 50% are women (Hilson, 2001). The roles of these women should be accounted for in policy-making activities aimed at addressing the needs of small-scale mining communities.

offensive information about *galamsey* are the least familiar with the situation on the ground, rarely travelling to mining communities. Notably, the EPA has no regulatory responsibilities in the ASM sector, apart from administering an Environmental Impact Assessment (EIA), which is seen by officers from many other regulatory bodies as more of a bureaucratic hurdle and money-making initiative than sound regulatory practice; the accuracy of the statements made by their officers concerning ASM is therefore debatable.

Understandably, and as clarified by one official, the government does not want to be perceived to be endorsing illegal activity:

*“The galamsey mandate is one of an illegal operator, operating on somebody’s concession. So if you go there to advise the person, then it means that you are glorifying illegality and that is dangerous. Because if you are going there where the galamsey people are operating and say out of circumstances you are injured, you can even be imprisoned for that”. [Senior government official]*

This deadlock at Prestea, however, has to be broken before it becomes an unmanageable situation; as authorities, this responsibility lies with the government. Fortunately, there is another – albeit minority – group of individuals in government who appear to be more sympathetic toward illegal mining. In the majority of cases, these people have come from field posts to take up more senior positions in Accra, and are thus more familiar with the situation on the ground. The group recognises that there are wider economic issues propelling illegal mining activity nationwide:

*“...the unemployment situation has also become worse. In fact, in Ghana it is estimated that about 200,000 young men leave the SSS<sup>9</sup> every year and you have less than 10% or at most, 20% going to the universities and polytechnics and all of that and the rest have nothing to do, you see. So, every year you have say about 100,000 coming into the [galamsey] system; it creates a lot of problems. That’s why you see that even the ages are now far younger. In the galamsey groups, the ages are now far younger than they used to be. At the early stages, it was the people who had returned from the mines who were actually coming into the galamsey, but now many people are getting in there...we don’t have mass employment factories where you can put these people”. [Senior government official]*

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<sup>9</sup> SSS – senior secondary school.

It is crucial for these officers to take the lead and establish contact with *galamsey* heads, and facilitate dialogue between Presteans and BGL officers. If left in the hands of the EPA and other government officers, public agitation toward *galamsey* operators will mount, and problems with illegal mining will continue unresolved – foremost, the impasse at Prestea.

### The Galamsey: A Silent, Marginalised Voice?

To make matters worse, BGL and government officials do not recognise unregistered miners, and refuse to interact with them at all costs. The position of the company appears firm, as hinted by one official: “as far as we are concerned, we don’t even recognise them [*galamsey*] because we see them as people robbing our property...and I see them as any other armed robber...” The government, which has been called upon by various groups – including BGL – to mediate the crisis in Prestea, also appears adamantly opposed to engaging in any dialogue with *galamsey*, a point reinforced by one officer, who explained that extending assistance to such illegal mining groups would be “just like an armed robber breaking through someone’s window, and you go there and basically give him a push”. Dialogue initiated by representatives of Prestea’s *galamsey* camps, particularly Number Four Bungalow and “I Trust My Legs”<sup>10</sup>, therefore, rarely materialises into meaningful consultation. In fact, unless accompanied by members of parliament or other influential local people, there is little chance of *galamsey* leaders entering the BGL compound, let alone voicing their concerns to a company audience.

Complaints against BGL’s operations began mounting when it was discovered that the six rivers that supplied the local town of Dumasi with drinking water were contaminated. Although officers consulted at BGL insist that the poisoning was linked to the local geology, locals argue that the problem is a result of unmonitored acid mine drainage, a point reinforced by an employee of a local NGO:

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<sup>10</sup> There are conflicting views on how the “I Trust My Legs” label came about. According to an article in *Grist Magazine* (Harkinson, 2003), it is a reference made to several of the camp’s *galamsey* miners having “trusted their legs” when successfully fleeing on foot from security forces. In communicating with the local chief, however, the “I Trust My Legs” label has come about because the specific mine labour itself is arduous, involving extensive underground work and therefore requiring considerable “trust in one’s legs”.

*“Bogoso gold went to Dumasi – it’s on the way to Prestea – and they had their pits at the source of six streams that the community people were depending upon. Now, all of the streams are dead...they caused the irons and other heavy elements in the rock, and now acidification is taking place. So now if you dig a borehole in any part of Dumasi, the water you get is very acidic...heavy metals...The solution that Bogoso prescribed was to supply them water in tankers, and now people are always fighting to get the water. A community that used to have six streams for fishing, for many things you can use water for...”*

The poor quality of the local water supply not only has a significant impact on the health and quality of life of the local population residing near the mines, but also constrains agricultural activities and peoples’ livelihoods. The ongoing dispute over the responsibility for damage of the local water supply and the company’s unwillingness to assist the community in meeting their essential needs has prevented any restoration of community trust.

In Prestea itself, grievances have mounted over the extensive effects of blasting, vibration, and landscape change induced by the BGL mine, which, again, is situated adjacent to the town. As one community representative put it, “[BGL] is mining the town...The filling station has been mined...The hospital is close to collapsing...the kitchen in the hospital caved in...and the hospital is the only hospital in the area, the next hospital is the Tarkwa hospital...They are mining the town”. Residents have also voiced complaints about the damages to their homes, which they claim were caused by mine blasting and vibration:

*“...and the level of blasting, they blast without protection so there is a lot of conditions, air conditions...For our water, we don’t have water for drinking, the blasts all the smoke up in the town, we are not far from the town so the blasts shake up the town. As you can see, we are not far from the town...So the blasts damage our TVs – our sideboards came down...” [galamsey, ECOMOG camp]*

The company has challenged these claims. There are no noise standards in place in Ghana but BGL officers assert that the company follows US EPA regulations. Officers also countered during interviews that hired consultants determined that the cracks alleged to have been caused by blasting were pre-existing, and that many of the televisions and appliances supposedly damaged were, in fact, already missing basic pieces, which is why they do not function. Visits to certain dwellings, however, did

suggest that there was some validity to the claims made by one representative of an NGO that ‘stones were hailing onto peoples’ homes, and they were penetrating the ceiling and land in your room [with] people...having some of the stones in their rooms as specimens”.

It is important to clarify that despite BGL officers’ assertion that *galamsey* “still think that that right (mining) belongs to them [and that they] don’t even understand what is law”, communities *do* recognise that they are mining illegally. As one senior officer at Number Four Bungalow explained, “what we are doing here, we normally we don't have a relationship, they [BGL] don't come to we, we don't go to them, because our mining, our jobs here are not legalised”. Illegal miners have simply not been pressured by BGL staff to vacate the Prestea concession because the company has little intention of working the underground operation. It is the recent antagonistic approach taken by the government toward illegal mining that has prompted many Presteans to initiate dialogue with BGL staff, with the hope that the company will relinquish unused portions of its concession so that locals can register as small-scale miners and have the security of tenure they so desperately seek.

The broken promises made by BGL in the area of community development have been the main source of community opposition to the mine. As previously explained, as a condition for its acquisition of the Bogoso and Prestea concessions, BGL was required to conduct a feasibility study on the underground operation, which at one time employed at least 3,000 locals. When a decision was made *not* to reopen the mine on economic grounds, redundant labourers called for BGL to free up areas of the concession. The imperativeness of this move was explained at length by a *galamsey* leader in Bondaye :

*“You know, you were saying something about something like illegal, just imagine the water level so we are fighting the BGL, you have taken the whole land, so give us some bread, so that we need the men... so that we can get some small job...There’s no job in the country and then the BGL people have taken the whole land so what the community is saying is ‘give us some place’, so that we can [work], we need to...”*

Following meetings between Prestea-based *galamsey* in January 2003, BGL staff drafted a circular<sup>11</sup>, which reiterated the company's commitment to "continue with the exploration of the underground mine to determine the economics of the mine" and most significantly, explained that "BGL, in conjunction with government, shall assist in identification of a site for registered small scale miners to carry out legalised mining activities". Letters were subsequently drafted and signed by company officials permitting miners to operate on their concession<sup>12</sup>.

These agreements, however, have provided communities with little protection. Government officials claim that these letters are not legally-binding, which raises a more important question: why has BGL not relinquished, to the government, uneconomic areas of the Prestea concession for demarcation to small-scale miners? As one operator at Number Four Bungalow explained, "the people are not working so try and give them some small land [so] they [the *galamsey*] will get their peace, they [BGL] will get their peace and at the same time the government will too get their peace". It was claimed during interviews with BGL officials that this had not been done because the company was told it would be held accountable for environmental damages caused within the ceded areas; but this is incorrect because once demarcated as legal small-scale mining concessions, it is the respective title holders – again, who are mandated by the EPA to complete an EIA – who are responsible for addressing environmental concerns.

Overall, BGL is doing very little to improve relations with the residents of Prestea, largely because of the belief of its officers that the local illegal mining problem is the responsibility of the government. As one *galamsey* miner explained, the people of the community believe that the only reason why BGL has turned a blind eye on illegal mining activity in Prestea is that staff 'realised that they can only have peace when the whole community has been given a small place to carry on with their former activities, which is virtually the small-scale mining'. The company, however, is doing little to regularise these operations; moreover, it has failed to uphold several of

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<sup>11</sup> Circular entitled Memorandum of Understanding Between Bogoso Gold Limited and Prestea-Himan-Bondai Area.

<sup>12</sup> Following a meeting held on 29<sup>th</sup> January 2003 between the-then BGL mine manager, BGL security consultants, and Prestea Mining Group executives, it was agreed that the Four Bungalow site would be released to the Prestea Mining Group for small-scale mining activities. The details of the agreement were as follows: a) that the site will be operated solely by the people of Prestea, Himan and Bondai; b) that only 100 pits and 100 people shall be allowed to operate on the site; and c) that ejection of operation from Four Bungalow shall be based strictly upon negotiation.

the commitments originally made to local economic development, and has consequently lost the trust of the community entirely. This, to a large degree, is why, as one government officer put it, ‘the people of Prestea will never let BGL mine peacefully’<sup>13</sup>.

### **An Assessment of Proposed Solutions**

For governments to be in a position to identify appropriate solutions at the grassroots, target populations and community dynamics must be studied in detail. Critics of the global small-scale mining support facility, however, point out that this has generally not occurred, consequently resulting in the implementation of inappropriate support facilities, legislation and policies. As Jennings (1999, p. 5) explains, governments are increasingly overlooking the importance of gathering information on target communities because of a fixation on “finding...solutions to mining and processing problems, with scant heed being paid to the underlying economic, labour and social issues”.

This appears to be the case with the Prestea conflict. Government and BGL officials have complicated matters by proposing solutions to the impasse without having appropriate information on hand: the “implementation of technical changes, modification and improvements require in almost any case detailed knowledge of the cultural, social, economic and organisational context of miners” (Hentschel et al., 2002, p. 45). As explained in this section of the paper, the two main solutions proposed by the government and BGL – sustainable livelihoods projects and community relocation – are telling signs that policy is being devised without sufficient analysis of conditions on the ground.

#### Sustainable Livelihoods

The term “Sustainable Livelihoods” (SL) was conceptualised to improve understanding of, and support livelihoods in, rural areas (Carney 1998; Ngugi and Nyariki 2005). Since Chambers and Conway (1991) introduced the concept to the

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<sup>13</sup> The residents of Prestea were supplied electricity and water free of charge during the period of SGMC’s ownership. The situation has, of course, changed under privatisation, with BGL no longer supplying these services.

development literature some 15 years ago, it has been used “as a normative goal, as a framework for conceptual analysis and as a set of principles for action” (Toner and Franks, 2006, p. 82). In the mining sector, however, SL is increasingly being used as a synonym for “alternative livelihoods” (Labonne and Gilman, 1999): specific criteria and frameworks are adopted to identify ways in which to diversify local economies, or means for offsetting rural inhabitants’ dependency on illegal ASM for economic sustenance.

The implementation of SL projects has been identified by the Ghanaian government and NGOs as a possible means for alleviating the conflict at Prestea/Bogoso; to date, several initiatives have been undertaken in this area. For example, through the Food and Agricultural Organisation, the United Nations pledged US\$400,000 to develop sericulture in Ghana, an activity which has since become the foundation of BGL’s “Alternative Livelihood Project”. The company has harvested 80,000 silkworm eggs as part of a program its officers claim will “assist neighbouring communities to become self-reliant and create employment opportunities for their people”.<sup>14</sup> Another SL initiative receiving considerable attention is the promotion of grass-cutter<sup>15</sup> rearing, as well as an assortment of agricultural-based activities ranging from cassava harvesting to oil palm cultivation.

The effectiveness of local economic development initiatives hinges upon policymakers’ abilities to mobilise key actors, organisations and resources; develop new institutions and local systems through dialogue and strategic action; provide local ownership and control; and develop local markets (after Helmsing, 2003). The SL projects implemented in Prestea/Bogoso and adjacent mining localities, however, have failed to address the aforementioned criteria, having been conceived following short and cursory episodes of fieldwork. One key ASM stakeholder described these initiatives as “fashionable projects”:

*“...There are some fashionable projects. I call them ‘fashionable things’...They trained people to do batik and soap making, and...there are things that if you look at them very carefully, they*

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<sup>14</sup> “Wassa West farmers to begin Silk Farming”, *Accra Daily Mail* 20/04/04.

<sup>15</sup> The grass-cutter (*Thryonomys swinderianus*) is a rodent of the suborder Hystricomorpha. It is a fat, furry animal whose natural habitat is the tall grassland of the guinea savannah. The average adult weight is 3kg for females and 4.5kg for males, and its meat is an important source of protein for rural tribes in Ghana and many other African countries.

*are not viable. If someone in Bogoso or some village in Damang is doing batik, what is the quality of batik you will make? How many people will come to Ghana to buy it? So at the end of the day, he will know how to make the batik but he will never apply it. It will come in the newspaper that some people have trained some women to do batik...to me, I think it's more for the newspapers but it must be studied and done in a way that will be viable and people will want to stick to it..."*

Communications with miners in Prestea reinforce this view. A *galamsey* head at "I Trust My Legs", for example, explained that:

*"We are ready to do other skills...They [BGL and the government] brought in a livelihood project but they were asking us to do grass-cutter rearing, snail rearing...We are endowed with snails...I will take you to the back here, and I will count about 100 snails. I don't even eat them. Here I don't even eat them. You have to go into Kumasi...you will find about 1000 snails dodging and then moving around. We don't even eat them. Who's going to buy? Who is going to help me and take them into Kumasi?"*

It was furthermore noted that the start-up funding being provided by BGL for silkworm cultivation is insufficient because it can take up to one year to begin earning a profit, which is hardly an appropriate alternative for impoverished groups.

The absence of forward-thinking among those championing SL in Ghana's communities is perhaps most evident with local reforestation projects: rather than promoting the cultivation of trees such as citrus and cocoa, which would create jobs and generate earnings for ASM communities, the emphasis has been strictly on afforestation using fast-growing species. The mining company is also not in tune with the skills at hand in Prestea's *galamsey* camps. During communications with workers at the Number Four Bungalow camp, for example, it was explained that, contrary to claims made by BGL officers that "they [*galamsey*] are all illiterates...almost all of them are illiterates", there is an abundance of trained and skilled individuals working as illegal artisanal miners in Prestea:

*"They [the galamsey] have transported their skills because some are blast men and blast men with certificates, [and] we have, how do you call it...drillers, we have the drillers...We have machine drivers, we have machine men and what do you call it, carpenters. What I say is, when you talk of machine drivers, when we dig the rock we teach him to be the machine driver. The*

*ones who put the timber, we teach him to be one of the timber men, and...the ones who work in the haulage...they are the shaft-men, the shaft-men, see that the haulage-way is always safety. These are some of the skills...” [Senior galamsey, Number Four Bungalow]*

Why has local SL work not taken advantage of these skills? As one key stakeholder put it, for re-skilling exercises to be successful in the ASM sector, “we must prove that moving them will get them at least what they are getting as *galamsey*”. There is little chance that the alternative livelihood projects being implemented in the BGL catchment area, the majority of which have been developed without extensive analysis of local community dynamics, are capable of doing so.

### Relocation, Relocation

Wherever economically feasible, large-scale miners have sought to uproot, relocate and compensate communities situated within the boundaries of their concessions – although agreements have commonly proven to be unsustainable, in turn, causing a series of long term problems. Notable examples include Yanacocha in Peru, Las Cristinas in Venezuela, and Teberebie in Ghana (MMSD, 2002; Veiga et al., 2002; Whiteman and Mamen, 2002). In these, and similar, cases, large-scale mining companies working in tandem with governments have overlooked community needs, failing to devote considerable time to liaise with, and study the dynamics of, relocated groups. Specifically, questions such as - *Is the infrastructure in the relocated locality appropriate for incoming parties? Are there income-earning opportunities in these settings?* and *What is the breadth of skill within relocated groups?* were not adequately addressed beforehand. It appears that a similar approach has been taken in Prestea.

As a follow-up to the March 31<sup>st</sup> 2005 order (later revised to May 31<sup>st</sup> 2005) for illegal miners operating in the Western Region to abandon their activities, the Acting Chief Director of the Ministry of Lands, Forestry and Mines announced that the government was working to identify alternative areas for Prestean *galamsey* to form cooperatives and register operations. These include Japa in the Western Region; Adjumadium, also in the Western Region; and Winneba in the Central Region. It was later argued in a CNN Matthews press release, that “...having made these areas

available, it is high time all illegal miners working on Golden Star's Concession took advantage of the opportunity created and vacated Bogoso Limited concessions by May 31 2005"<sup>16</sup>. It was added that "these three identified areas can host nearly 600 cooperatives or groups of at least 10 members each". The credibility of these claims, however, is open to debate for a number of reasons.

First, has the Ghanaian government carried out prospecting in these areas to ascertain their mineral content?<sup>17</sup> Whilst some US\$1.88 million was pledged under the World Bank *Mining Sector Environmental Project* to prospect and demarcate areas appropriate for small-scale mining, and to make geological information available to prospective operators, the initiative failed because of financial mismanagement and a series of logistical factors (World Bank, 1995). The Ghanaian government continues to overlook the importance of prospecting, failing to produce detailed geochemical maps with areas earmarked for ASM: there is little chance that miners will relocate to areas where mineral content has not been determined. This is a major concern, particularly for Winneba, where it is well known that the country's gold belts thin considerably. A telling sign of Winneba's questionable mineral potential is the low concentration of *galamsey*, who, despite being condemned, are recognised by government officials as the country's mineral "pathfinders" and the most knowledgeable gold prospectors in Ghana<sup>18</sup>. Winneba's undetermined mineral content was a major concern of a leader at Number Four Bungalow, who noted:

*"When they [the large-scale miners] are coming from Europe, I think they pass Winneba before coming here. Why can't you leave them there? What will you give them, then? Move to Winneba, we're not going anyway! We're not going to Winneba. We are not fishermen".*

Another key actor in the sector expressed similar concerns:

*"If they [the galamsey] can be assured that there is gold there, then they will probably move. But why didn't they go there in the first place? If they were sure of gold being there, why didn't*

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<sup>16</sup> "Golden Star Reports on Ghanaian Government Nationwide Action to Stop Illegal Mining", <http://www.ccnmatthews.com/news/releases.Controller?action=check4Cookies&actionFor=543716>, CNN Matthews, 31/05/05, accessed 28/09/05.

<sup>17</sup> At the time at which this research was being carried out, the Geological Survey Department was beginning to prospect near Bondai to identify areas suitable for small-scale mining.

<sup>18</sup> It is a well know fact that prospecting companies in Ghana have used indigenous people, who possess a deep knowledge of local geology, to identify economic deposits.

*they go there? Let's assume that they didn't know, hadn't been told, but is there gold? I'm happy for the government in doing this. I think it's a good idea that now the government is trying to identify specific places, but I'm not sure that enough work has gone into convincing them. Why have they not moved it? Why, if the government has a place where it can be legal and no-one will harass you, have they not rushed there? So we have to ask those questions”.*

The highly-mineralised Japa is another challenge entirely: with an estimated 300 *galamsey* camps currently on hand, where does the government intend to relocate Prestea-based operators? Locals confirmed during visits to Japa some two months after the Minister's announcement that government officers had yet to visit the location. Moreover, if followed through, the move promises to cause conflict. The *galamsey* consulted in both Japa and Prestea indicated that an influx of “non-native” artisanal miners would intensify competition for limited gold resources, netting individuals less profits. At least one stakeholder consulted was cognisant of this:

*“...I am sceptical...Whether the Japa people would be prepared to accept foreigners coming to mine there. I don't know what has been done to get that in place, I don't know. I have a feeling that people will be very protective of their territories, so if people from let's say from Tarkwa have been asked by the government to go to Winneba or Japa, the people in Winneba and Japa who probably are galamsey themselves might say 'look we are not entertaining them there”.*

Moreover, a local (registered) small-scale miner is in the process of organising *galamsey* equipment owners in Japa into a cooperative to put them in an improved position to obtain a small-scale mining license – hence, legitimise their operations. The problem, however, is that the very lands to which the government plans to relocate Prestea-based *galamsey* are also being targeted for the license.

Secondly, such a rapid relocation exercise overlooks local economic needs. As Helmsing (2003, p. 68) explains, in the context of local economic development in Africa “markets do not emerge spontaneously...[and] the success of the innovating peasant...or small entrepreneur depends on the presence, effectiveness and efficiency of ‘related and supporting’ services”. The *galamsey* of Prestea understand this: despite claims made by certain government officers that “once a miner, always a miner”, certain operators are reluctant to relocate not because of a fixation with

mining, but because they are cognisant that an inevitable outcome of a mass migration of settlers is the economic collapse of local towns. As one miner explained:

*“When we get to Japa...what we earn we will spend it at Japa, so we talk about the impacts to the community then the community cannot survive at Prestea... Because we talk of the impact on the community...This work we are doing, what we get from here, we want to spend the money in Prestea, and that based on that, it also boosts the morale of the community”.*

Another miner at Four Bungalow echoed these words, explaining that “in 2001 [when we came], since this time, it is this activity that is bringing the money to the community [of Prestea], so the decision to go to Japa or Winneba, fine [but] it is not good, though”. Another important microeconomic issue that must be taken into account by the government is investment: several Prestea-based miners are being sponsored by local chiefs and gold buyers, and have invested heavily in equipment. This issue was touched upon during an interview with one leader at Number Four Bungalow:

*“It has been a long investment, because we were here for about two years and you can imagine the sort of money we put up so the policy from the government is quite good but the question is when and where?...Meanwhile, we have invested a huge sum of money every day on the concession – on this area. So that means, if you are pushing us away to a different area, to start or to begin a fresh operation, we need money and the land is not much ... [We have] invested forty million (cedis)”.*

Senior personnel at “I Trust My Legs” and ECOMOG also discussed the issue of investment, voicing concerns that a forceful move would cause them to lose equipment, the purchasing of which was financed by independents.

Finally, the government appears to have overlooked several logistical issues in its proposal – issues that the local media has also failed to underscore. For example, in a recent article published in the *Ghanaian Chronicle*, it was suggested that operators at Number Four Bungalow were resistant toward the idea of relocation, explaining that “we are settlers on Prestea and we think that this is something good. We want government to make it [‘galamsey’] legal, there should be a second look at moving us from here” (*Ghanaian Chronicle*, 2005); but at the same time, the article failed to

outline the basic logistical issues raised by targeted mining populations over the plots designated for resettlement. The first concerns distance. On the idea of moving to Winneba, a mine leader at Ecomog indicated “it’s too far for us,...we have got this work and we are doing it...we are [therefore] not willing to go...if they think the place is good, they should give it to other investors to also go there”. A *galamsey* leader at Number Four Bungalow was also outspoken on the issue:

*“The impact?...Let us consider the people working here were leaving for Japa. It’s a small village, so if we move from here many kilometres, that means we have to find transport, find homes there. In fact, it is a big problem...The whole community of Prestea, you have to be real, we have to move from here 700 km move away from here? Look at the one in the Western Region in Japa? How?...There is no place that the government has put aside for this in Japa or Winneba”.*

Government officials have overlooked these issues; nor do they have any sense of the sheer scale of the proposed undertaking. As one miner in Bondaye explained, during the operation of the underground mine, “...the workers were many...we were three thousand workers, so three thousand multiplied by your family means [almost] ten thousand”. It is estimated that during the dry season, 4000 individuals work at the Number Four Bungalow camp alone.

To summarise, the government has overlooked a number of important issues. Many officers appear distracted by what they have interpreted to be a “positive response” to the relocation plan, underscored, they explained, by the number of individuals who have signed up for a concession. This, however, is likely misleading. As one stakeholder explained during an interview, “most of the people who have signed up reside in Accra, not in Prestea’s mining areas”. During visits to *galamsey* camps in Prestea, it was confirmed that few, if any, miners had responded to the “Program Implementation” component of the demarcation exercise; in fact, apart from the announcement over the radio, few appeared to have any knowledge of the sign-up. A gang leader at “I Trust My Legs” summed up the challenge of implementing the proposed relocation plan:

*“If you want to go there to go and [get] ore, you will have to go and move us, and where will we get the finance to go to that place? And looking at the population here, as of now, we have not*

*less than 10,000 galamsey operators here. To move 10,000 people from here even to Japa, where are we going to get the finance? Where are we going to get this accommodation? What are we going to eat and do there? Have you seen if the environment is good enough for us there? How are you going to get education for 2000 children?"*

To avoid further complications, greater attention must be paid to such detail.

### **Discussion and Conclusion: Possible Ways Forward**

Andrew (2003) reports that the literature offers little guidance on how to resolve mining-land use disputes through mediation. Whilst the MMSD report on ASM (Hentschel et al., 2002) does list some examples of alleged working arrangements forged between artisanal and large-scale miners, globally, harmonious cohabitation of these parties has proved more elusive than attainable. In the majority of cases, the blame falls on the incoming company, which, faced with few regulatory pressures to engage in proactive community development, does little to account for the needs of displaced artisanal operators.

In defending the environmental and social development strategies of the mining sector, many argue that companies must obtain a “social license to operate”, even in countries where stringent regulations are absent (see Ednie, 2002). The contention is that multinationals with poor track records in the areas of environmental and community development will find it challenging to expand operations – namely, that the governments of even the least developed countries will be reluctant to take on board a company whose performance and policies are questionable. In the case of the mining sector, this argument is debatable: in the past, many companies with significant stakes in some of the world’s most controversial operations have had little trouble expanding their activities globally<sup>19</sup>. Thus, Barry’s (1997) observation that mining companies are increasingly choosing to avoid negative publicity and protests by tolerating, and in some cases supporting, ASM operations, is somewhat misleading.

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<sup>19</sup> Australian-based BHP Billiton, for example, the operator of the controversial Ok Tedi Mine in Papua New Guinea, had little problem engaging in diamond mining in the Canadian Arctic; nor has Newmont Gold Mining Company, which operates the Yanacocha Mine in Peru, a project long associated with widespread human rights abuses, had difficulties expanding its operations into Ghana. For a detailed overview of these operations, see Low and Gleason (1998), and Langdon (2000).

At the plenary forum on ASM in Yaounde, Cameroon, November 19-22 2002, it was emphasised that “the economic viability of the [ASM] sector, with the ultimate goal of sustained poverty reduction, depend[s] on a drastic change in the official perception of – and attitude towards – the ASM sector” (Labonne, 2003, p. 134). This certainly applies to Prestea: in Ghana, policymakers and mining company officials alike exhibit a poor understanding of the social dynamics of ASM. In particular, BGL managers and certain government officers have failed to recognise that the sector is poverty-driven. As explained previously, job redundancies followed BGL’s closure of its underground operation, long the major source of employment at Prestea town; this has forced thousands of skilled and semi-skilled workers to take up work as *galamsey*. Whilst the recommendations prescribed in the discussion that follows could go a long way toward ameliorating the current conflict at Prestea, their implementation and effectiveness is contingent upon policymakers and company officials recognising that an unemployment problem *does* exist, and fully committing resources toward community development.

Barry’s (1997, p. 5) point that a participatory approach is the key to resolving ongoing disputes between artisanal and large-scale miners applies to the present analysis. Given BGL’s fixed position on the impasse, the authorities must take the lead by initiating dialogue with the community because, based upon interviews with certain *galamsey*, trust in the government has deteriorated. As one agitated operator explained:

*“Who brings the government to the power? It’s the community! It is the community who bring the government to the power! So at least the government is supposed to listen to the community”.*

The dispatching of officers to sites to communicate with *galamsey* leaders would go a long way toward repairing strained relations. Once some confidence is restored, and *galamsey* are sufficiently empowered to participate in decision-making processes, the government must pressure BGL officers to participate in discussions, with the aim of developing a sustainable working agreement (see MMSD, 2002).

Increased dialogue has proved instrumental in improving stakeholder relations at a number of mines worldwide. Primary examples include efforts at Rio Tinto's Hamersley Mine in Australia, AngloGold's (now AngloGold Ashanti) South African ventures, and Placer Dome's Musselwhite project in Canada (ICME, 1999; MMSD, 2002). For the benefit of the Prestea situation, perhaps the most telling evidence that dialogue could yield positive outcomes is the work taken by Gold Fields Ltd. in its catchment communities at neighbouring Damang. Here, Gold Fields has established the Damang Mine Community Consultation Committee, which meets regularly with chiefs, the "queen mothers", assembly members, the area council, youth leaders, and business and educational experts from other catchment communities. The company has also established the *Gold Fields Foundation Trust Fund*<sup>20</sup>, the funds from which are used, following extensive consultation with communities, to finance and develop local infrastructure. Most importantly, officers at Damang are on good terms with local *galamsey*: an informal arrangement has been established whereby *galamsey* are "permitted" to operate provided that they abandon their work if, and when, the company has an interest in working their plots (Aubynn, 2006). The majority of initiatives that have been taken by Gold Fields at Damang could be readily replicated at Prestea.

Second, there must be concerted effort made both on the part of BGL and the government to identify and develop *appropriate* alternative livelihoods for *galamsey*. As explained previously, the "fashionable" projects pursued in recent years promise to have limited impact because they were developed without taking into account local population and market dynamics. The benefits of using community participation as a means of identifying appropriate alternative livelihoods projects – in this case, for ASM – are highlighted in the following passage by Fraser et al. (2006, p. 115):

*"The first benefit is pragmatic: since it is impossible to ensure that indicators chosen by 'development experts' will be relevant to local situations, local input is necessary to make sure indicators accurately measure what is locally important. Regular community input should also ensure indicators evolve over time as circumstances change...and help allow projects to*

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<sup>20</sup> Unlike most mining companies' community trust funds, the amount of funds within which is generally based upon the amount of profit recorded, Goldfields' fund is independent of earnings. The company puts a fixed percentage of money in its fund for every ounce of gold mined; thus, even in cases where minimal profits have been recorded, the community still benefits from the finances accrued in the fund.

*continue after funding stops. The second reason is that preliminary research shows local engagement may help build community capacity to address future problems...*

Although most *galamsey* are male, gender issues must also be accounted for. As Helmsing (2003, p. 70) explains, “women face a triple burden, alongside their reproductive roles and care for children and for other dependents, their responsibility as head of the household places the burden on income generation on them”. This is particularly relevant in the present case: Prestea-based women are forced to work at *galamsey* sites to earn additional income. Most, however, earn daily wages amounting to less than US\$2 for arduous manual labour.

Taking into account the aforementioned analysis, there are two initiatives that could help to alleviate poverty in Prestea and offset the growing dependency on illegal mining. The first is the farming of tilapia – the cichlid fish species that comprise the genus *Tilapia* that are native to Africa. In Ghana, tilapia has long been a staple food, featuring prominently in an assortment of local dishes, including *Red Red*, *Banku* and *Fufu*. Ponds could provide a steady stream of fish supplies to local restaurants, traders and “chop bars” (after Otchere et al., 2004). Officers at Gold Fields have already established, with some success, a series of fish ponds at its Damang site. As one of its onsite personnel indicated during a personal interview:

*“Here [at Damang] we have fish ponds systems [as] tilapia is a delicacy in Ghana. Yesterday, I bought one in Tarkwa – thirty thousand [cedis for a] small one. I tell you, for [a] small one, I paid thirty thousand [cedis]. You have so many water bodies around...We are looking at coming out with bigger ponds to give them”.*

Whilst BGL has also integrated a fish pond into its *Sustainable Alternative Livelihood Project*, it has not enjoyed the same level of success as Gold Fields; nor does it appear that its officers have recognised the potential fishponds have in helping to offset local poverty. The original fishpond, opened in 2004, was poorly constructed, which made it difficult to harvest fish: the bed was not graded and the pond itself contained too many rocks. Although the new pond, in the words of the manager, “is fine”, it is rather small and fish have not yet been introduced. It is imperative, however, that this program is expanded over the short-term because it is one of the few promising initiatives featured under BGL’s *Sustainable Alternative Livelihood Project*.

A second promising alternative livelihood is cocoa farming, which is already widely practiced in the region. As one stakeholder explained, “the land here is very suitable for cocoa and palm oil...that is two major cash crops that they have”. The potential value of cocoa farming in Prestea was revealed during a discussion with an officer from a local NGO:

*“If you take a cocoa tree, the average life span of the cocoa tree is 50 years...Now, there is a scientific proof that an average cocoa tree can produce for every year a minimum a half a bag – let’s say half a bag of cocoa. Now...Let’s say you have maybe three to four hectares...if you have three hectares...a hectare takes on average 1000 trees”.*

There is the challenge, as one company officer put it, of how to “convince a person who takes or gets a million in a week into a livelihood like cocoa or oil palm that will take him three years before he gets a penny”. The key, however, is education: *galamsey* must be made aware of the long term sustainability of the exercise – that managing a flourishing cocoa patch is certainly a more viable, and less hazardous, occupation than “hit and miss” artisanal gold mining. To ease the transition, the government can partner with rural banks to provide sufficient start up capital and continuous support for their activities until farms develop.

Finally, the government must pressure BGL to relinquish unused portions of its concession, namely the abandoned underground mine in Prestea. During an interview with a BGL officer, there were calls for *galamsey* to recognise the law and the rights of the company:

*“Once the government sold the rights, the concession rights to this company, it becomes the property of the company. So it’s like, you rented a house, and the landlord says this part you rented, I will take my money but I will still sleep in the house. That is what is happening in Prestea, because like I said, they are illiterates, so they don’t regard laws or regulations”.*

What the officer failed to make reference to, however, was the *amount* of land that has been demarcated to the company, and, more importantly, the amount of land on the concession that has gone unused. An NGO officer clarified this point during a personal interview:

*“I mean, no mining company in this country operates beyond 30% of their concession. Some are operating at a low of 13% of their concession. It’s like the whole of this table, 13 is only [points at the piece of A4 paper] you know, this big part, and all of this is protected [points at the entire table]...The mine has mine life of let’s say 30 years...so all this site [showing at the table] is idle...you can’t do galamsey there. So I think, they actually need to begin to offload portions of their concessions for the small-scale miners”.*

The attempts made by the government to offset the problem, whilst commendable, are flawed. As explained previously, if carried through, the proposed prospecting and demarcation exercises promise to cause additional complications. Moreover, with the low numbers of qualified staff and minimal resources on hand, it could take years to prospect and demarcate areas suitable for ASM. The most logical move, therefore, would be for the government to pressure BGL to relinquish unused areas of its concession; in fact, BGL should be taking the lead in this area, given the obviousness of the move as a solution to the lingering illegal mining problem that its officers openly complain about.

In summary, the aforementioned recommendations, which are rooted in a bottom-up approach, would go a long way toward ameliorating the impasse at Prestea; but until certain government officials and BGL officers concede that the illegal mining problem in the region is owed largely to mass unemployment and begin to initiate dialogue with local *galamsey* leaders, the problem will intensify, with the possibility of becoming an unmanageable crisis.

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