

***South-South labour migration  
and the impact of the informal  
China-Ghana gold rush 2008-13***

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# Paper based on fieldwork undertaken :

- In Ghana (mid-2014):
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  - Gordon Crawford (Coventry University, UK)
- In Guangxi Province, China (mid-2017):
  - Nicholas Loubere (Lund University, Sweden)
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# Small-scale Gold Mining in Ghana

- Traditional means of livelihood for rural households, techniques often rudimentary
- Significant contribution to economy
  - About 100,000 legal miners; estimated one million 'illegal' miners or 'galamsey'
  - Over 30% official gold output from small-scale mining
- Indigenous activity - by law 'reserved for Ghanaians' (Minerals and Mining Act 2006)
- Therefore all foreign mining illegal...

# From Shanglin County to Ghana

- From 2008 onwards, with hike in gold prices, significant numbers of foreign miners came to Ghana, predominantly from China.
- By 2013, a Chinese newspaper reported that an estimated 50,000 miners had left China for Ghana (Kane 2013; Lu 2017) and established over 2,000 mining operations (He 2013).
- From Shanglin County in Guangxi Province, with tradition of gold mining... ‘Shanglin Gang’

# Chinese miners and Ghanaian cooperation & collusion

- ‘Shanglin gang’ engaged in alluvial ASM in southern Ghana: “led by Ghanaians”
- Paid lump sums to chiefs & local landowners for land; & bribes to local government officials (Song 2013)
- By 2013, situation “out of hand” and characterised by a “culture of impunity”, a “free-for-all” for Ghana’s mineral resources

# Immediate Impact: Mechanisation and Intensification of Production

- Shanglin miners introduced **new technology and machinery**: excavators, crushing machines ('changfan'), wash plants ('trommel'), and platforms & suction equipment for river dredging (illegal to mine in rivers). Also **capital**.
- Therefore **intensification** of production....  
**Land now mined in weeks not years....**

# Controversies

- Illegal!
- Environmental degradation of land and water bodies, esp. rivers
- Alleged gold smuggling and loss of state revenue
- Local conflict and increased incidence of small arms

# State and media response

- State appeared to be absent.... despite illegality
- Media outcry at foreign exploitation of resources:  
“As we look on in helpless amazement, foreigners continue to degrade our lands and pollute our water bodies” *Daily Graphic* 15.03.13
- Jingoistic in tone “illegal, undesirable migrants” (Daily Graphic 29/03/13), “deviants” (25/02/13), “aliens” (05/03/13)
- May 2013 President Mahama established Task Force to ‘flush out’ illegal miners, with arrests and deportation of 4592 Chinese nationals, along with small numbers from Russia, Togo and Niger



# Impacts and consequences

- With **mechanisation**, ASM changed irrevocably; Chinese involvement triggered this transformation (Crawford et al. 2015)
- **ASM becomes big business (for some)**
  - Ghanaian miners: US \$4,000 to \$6,500 per week
  - “in four to five years, a lot of Chinese millionaires, even billionaires” (Chinese resident in Ghana)
- **Stratification and inequalities increased**
  - Differential benefits among Chinese miners
  - Ghanaian women & youth rewashing tailings at abandoned pits

# Economic impact

- **Macro level:** volume of gold from ASM increased **seven-fold from 2005 to 2013**, % of total gold production from ASM increased from **15.2% in 2008 to 36% in 2013** (Minerals Commission Ghana 2014).
- **Micro level:** positive impact of gold boom on local economy :“local businesses were booming”; **“the town was hot, very busy”**; people “had money in their pockets”; (returned Chinese miner **“they want us there because they can earn money too”**)

# Environmental impact

- Intensified scale of environmental destruction of land and water bodies
- Scramble for land & destruction of farmland. Adverse impact on food & cocoa production
- Pollution of rivers as new and catastrophic for aquatic eco-system and potable water (CSIR - Water Research Institute 2013)
- Cost (to state) of reversal of land destruction and water body pollution is incalculable

# Political impact: endemic corruption

- Ghana Immigration Service officials provided **entry visas** and **false 'work permits'** to Chinese miners (Ghanaian director of mining company)
- High-level protection by **"big shots in government"** in return for payments (district level official).
- **"Money talks"** and **"many [government] people were involved"** (Chinese resident)

# Corruption (cont.)

- **Politicians** protected Chinese miners in return for financial support to sponsor their electoral campaigns (Dec. 2012 elections)
- With Task Force, Chinese miners “no longer protected by the [Ghanaian] government” (Chinese resident), and therefore departed
- **Task Force** also made money... alleged theft of gold and property. Chinese miners arrested and deported were those who “could not pay” (licensed small-scale miner).

# Nature of the Ghanaian State

- State not absent pre-Task Force... was present... but political and administrative power (and traditional authority) used for private enrichment rather than public service
- Image of Ghana as a model of democratic governance for Africa is tarnished, with “Stain of corruption having spread so far that the colour of the whole cloth has changed”

# Post-Task Force to now

- Mechanised mining practiced by (some) Ghanaian small-scale miners, inc. in rivers
- Chinese miners that remained shifted to machine hire; hidden ownership of small-scale concessions fronted by Ghanaians
- Environmental degradation intensified
- March 2017 – Ghana Water Company warned of need to import water for consumption
- April 2017 – 6 month moratorium on all ASM and military Task Force (Operation Vanguard)

# Conclusion

- Focused on South-South irregular migration from China to Ghana of 10,000s of miners to work illicitly in informal small-scale gold mining, esp. gold boom years of 2010 to 2013
- Traced the impact on the livelihoods of both Chinese and Ghanaian informal miners, as well as on wider economic, environmental and political landscapes.
- Benefits for some, adverse impact for many
- Casts shadow on Ghanaian state & self-serving elites
- Impacts and consequences continue to this day.



# Further research

- **Interviews with returned Shanglin miners could** examine:
  - processes and networks which facilitated mass irregular migration, including local financial institutions, migrant recruitment agencies and labour subcontractors.
  - labour relations and differential benefits within groups of Shanglin miners in Ghana

## Further research (cont)

- **In Ghana, investigate ongoing Chinese involvement** in equipment and machinery hire; financing mining activities fronted by Ghanaians.
- Consider the appropriate role for foreign involvement in ASM in Ghana and why Chinese miners welcomed by some
- Examine wider questions of resource justice to ensure that resource extraction is organized and regulated that enable benefits for all

# Wider migration issues

- **South-South labour migration:**

- processes within global capitalism that lead to precarious and marginal people migrating in search of better livelihoods, and accompanying patterns of accumulation, exploitation & inequality

- **Migration, inequality and development:**

- Case-study shows benefits and adverse impacts
- How to ensure that South-South Migration reduces inequality, poverty and uneven development?

Thanks for your attention!

# Illegal mining in the River Pra

