

WHOSE DEVELOPMENT COUNTS?

Political Ecology of Displacement of Bulyanhulu Mining Community in Tanzania

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DECLARATION

I, Pius Nambiza Wanzala, do declare that this thesis has been written by me. Unless otherwise mentioned, I personally collected and analysed all used research materials. I also declare that this thesis, which has been supervised by Prof Cathrine Brunn, has never been presented for any academic or non-academic award anywhere before this submission.

My full name: WANZALA PIUS NAMBIZA

Signature:

Date:

DEDICATION

This thesis is dedicated to all artisanal small-scale miners of Tanzania, who spend years of toil beneath the sun, toiling in the soil, to make ends meet, and in search of their own development as they contribute to national development.

It is also dedicated to Prof Chachage Seithy Loth Chachage, who passed away three days before my appointment with him in relation to this thesis; and to Wankyo, Solaniwa and Wanzala Jr.

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ABSTRACT

In 1996, an estimated 400,000 people in a gold mining community in rural Tanzania were forcibly evicted from the area to allow for the development of a large-scale gold mine project to take place. The good-intentioned project was based on the idea of putting national development and public interest before the individual or community development and private interest. This thesis set out in 2006 to investigate how the livelihoods of the displaced community were affected by this development project. The main conclusion is that the displaced individuals had become poorer in 2006 than they were before the eviction. National development has impoverished and underdeveloped them.

The study was guided by the theory of political ecology, which I used in combination with the impoverishment risk model, focusing in particular on livelihoods. Data for this study was collected through qualitative methods as well as from secondary sources.

Using political ecology, I have been able to argue that the case study reflects a conflict over land resources, and struggles and contestations over power and meanings in society. The apparent local conflict should also be understood from the global political economy perspective.

The findings confirm the impoverishment risk model which argues that during displacement or resettlement, unless mitigative measures are taken, it is likely that the displaced people would become landless, homeless, jobless and food insecure among other negative elements. These risk elements have been found in the study area, and according to the respondents, they were a result of the displacement. On the other hand, the livelihood analysis shows how individuals and communities have been able to cope in the face of change. One of the main lessons from the study is that the project-affected people have some agency and are eager to develop themselves rather than wait for development to be brought to them by government or foreign investors. Their key concern at the moment, however, is lack of a fair compensation.

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LIST OF ACRONYMS AND ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
CCM	Chama cha Mapinduzi (name of the ruling party in Kiswahili)
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
GDP	Gross Domestic Product
ILO	International Labour Organisation
IRR	Impoverishment Risks and Reconstruction
KMCL	Kahama Mining Corporation Limited
LEAT	Lawyers' Environmental Action Tanzania
MEM	Ministry of Energy and Minerals
NCCR	National Convention for Construction and Reforms (a political party)
NGO	Non-Governmental Organisation
PL	Prospecting Licence
SADC	Southern Africa Development Community
TANESCO	Tanzania Electric Supply Company
TZS	Tanzania Shilling
UN	United Nations
UNCHS	United Nations Centre for Human Settlements (Habitat)
URT	United Republic of Tanzania
USD	United States Dollar

CHAPTER ONE

GENERAL INTRODUCTION

1.1 Introduction

Development, in one word, can be defined as *progress*. A longer version could define development as a better life for an individual in society or the majority in a population. In development discourse it is agreeable that development should be, overall, positive. From experience, however, this is easier said than done, as what is perceived as ‘development’ by some people in a particular society tends to be achieved at the expense of other people in the same society. Those affected will view that ‘development’, at least at that particular time, as something negative. This is true whether the focus is on a family, a small community, a country or the world in general. A definition of development offered by Robinson (2002, p.206) illustrates this point thus, ‘Development may be thought of as a general process of social and economic change, with profound effects for particular individuals in places. At the same time, development is an international, or perhaps global, project concerned with mobilizing resources, markets, capital and ideas.’

In a bid to realise her development objectives, Tanzania, as expected, has supported, initiated and implemented, several large-scale development projects, ranging from the villagisation programme, hydro-electric power and irrigation schemes, to railway lines, oil and gas pipelines, and of late, several mining projects. Arguably, in all these schemes, projects and programmes, or by any other name, there has been some development. However, it is also true that more often than not, these ‘developments’ have been accompanied by displacement of people from their original areas of residence and/or social and economic activities.

Some have likened development to an omelette, arguing that, if one wants to make an omelette, indeed, one has to break some eggs. As a country, Tanzania wants to enjoy the development omelette, and it (she) has on a number of occasions ‘broken the development eggs’ in the process as I show throughout in this thesis.

This research set out to investigate the impact of a 1996 *development-induced displacement* at a mining area in Bulyanhulu, Kahama district, Shinyanga region, to pave way for a large-scale, multimillion-dollar, and the largest underground gold mining project in Tanzania. While the gold production has increased government revenues by millions of dollars, which may be used to finance development in the country as a whole, there are claims that between 30,000 and 400,000¹ small-scale miners and their families were forcibly removed from that area, and greatly affected their livelihoods. No doubt, this forceful eviction affected those people's development, as individuals and as a community. On the one hand there is national development, while on the other there is individual and/ or community development. Could these two 'developments' be reconciled? Perhaps yes, perhaps not.

1.2 Development-Induced Displacement Discourse

The displacement of people through war, famine, conflict and poverty, and indeed, through development itself, is increasingly central to the work of development and human rights agencies (Robinson, 2002). During the last decade of the twentieth century, at least 200 million people were displaced from their places of domicile because of the above causes (*Ibid*). Development projects, such as dams for electricity, water supply or irrigation schemes; airports and highways have had their share in the negative side of development. The number of persons involuntarily displaced and resettled by infrastructural development between 1990 and 2000, for instance, is estimated to be between 90 and 100 million (Cernea and McDowell, 2000).

According to Andrew Gray in McDowell (1996), the proponents of development, as is widely defined, '...argue that nation-states have to develop, and that the benefits from projects should be positively weighed against the social and environmental costs' (p. 104). In this way, development is part of a process where the advantages for the state as

¹ The range of the displaced people varies according to source, with the project developers settling for a lower number, while the human rights activists citing the highest number. For its part, the Government estimated the number to be 200,000. See LEAT (2003).

a whole have to outweigh the desires of the minority. However, more often than not, the process of arriving at this decision is not participatory and results in complaints from those called 'minority'.

The background to this argument rests in the legal concept of 'eminent domain', which consists of a state's right to expropriate property in certain circumstances. According to this perspective, a project may require unpleasant means to fulfil provided the end is both politically and economically justifiable in terms of the 'greater good'. This is also referred to as the public interest.

Anthony Oliver-Smith in McDowell (1996) says that development-induced displacement is, in many ways, the ultimate expression of a state with its monopoly on the management of violence and ability to exert ultimate control over the location of people and things within its territory. He adds that, 'Resettlement imposes forces and conditions on people that may completely transform their lives, evoking profound changes in environment, productive activities, social organisation and interaction, in leadership and political structure, and in worldview and ideology' (p. 79).

The negative experience from displacement, and the apparent tension between growth or economic development for the nation, on the one hand, and social development or justice for individuals or communities, on the other, are also reflected by Muggah (2003, p.8). As he put it, 'Development-induced internal displacement also represents, in many cases, a violation of human rights, though the overall advantages for the nation have tended to outweigh the rights and entitlements of the minority.'

Other scholars, however, are less compromising and to them, economic development should not be attained at the expense of the people it is meant to benefit. B. Pettersson in Norwegian Refugee Council (2002, p. 115), says: 'If the displaced are not properly resettled and rehabilitated, it is irrelevant whether the project forcing them off their land is of an *overriding public interest* or not...' (emphasis in original).

The World Bank is one single institution that has been involved in most of the major infrastructure development programmes throughout the world as a financing partner. In that process, the Bank has learnt many lessons with regard to the impacts of the development projects on communities and has been developing guidelines and policies to deal with the challenges arising thereof. In the preamble to the Bank's *Involuntary Resettlement Operational Manual* OP 4.12 (revised in April 2004), the World Bank (2004) states:

'Bank experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened, kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost.' (§ 1).

Against that background, the World Bank Policy on Involuntary Resettlement (World Bank, *Ibid.*) set three objectives, namely;

(a) involuntary resettlement should be avoided where feasible, or minimized, exploring all viable alternative project designs (b) where it is not feasible to avoid resettlement, resettlement activities should be conceived and executed as sustainable development programmes, providing sufficient investment resources to enable the persons displaced by the project to share in project benefits. Displaced persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programmes, and (c) displaced persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher. (§.2).

The policy (*Ibid.*, § 3) 'covers direct economic and social impacts that both result from Bank-assisted investment projects, and are caused by the involuntary taking of land resulting in relocation or loss of shelter; loss of assets or access to assets; or loss of income sources or means of livelihood, whether or not the affected persons must move to another location.' In principle, the World Bank formulated these guidelines or policies in 1980 (Robinson, 2002). The latest version (quoted above) was reviewed in April 2004.

1.3 Research Problem

In August 1996, the Tanzanian government authorities forcefully evicted thousands of small-scale gold miners from an area called Bulyanhulu, Kahama District, Shinyanga Region. The small-scale miners, who had started mining gold in the area in as early as 1970s, were declared illegal. The closure of mining activity affected the livelihoods of people, among them miners themselves, business persons and traders, as well as peasants who were part and parcel of the mining community.

The government taking control of the mine site and leasing it to a private, multinational company, was in line with the reforms in the mining sector that encouraged privatisation and liberalisation of the sector as a way of attracting more foreign direct investment (FDI). According to the government, the mining activity would be more economical if it were to be done by a company with advanced technology to tap the vast and deep-situated resources. The company, the government asserted, would be responsible for environmental conservation, unlike the artisanal miners, who were difficult to monitor, and used rudimentary, labour-intensive and environmentally-unfriendly technology. Finally, the government hoped to earn more revenue through royalty and various taxes, and, according to Tanzanian land legislation, after all, all land is vested into the president, who can decide on its use in *public interest*.

The evictions allowed a Canadian mining exploration company, Sutton Resources, to take over the site. Since that time, there have been persistent allegations that as many as 52 people were buried alive in the mining shafts during the evictions; and that the evictions were brutal and swift, violating economic and social rights, causing enormous economic and social hardship. The mine was acquired by another Canadian company, Barrick Gold Corporation, in 1999. To date, there has never been a comprehensive, independent investigation of these allegations (LEAT, 2003).

As a student of development studies, and as a development practitioner, I chose to focus my research on the *development* of the people who were displaced from this mining area in order to allow more, bigger and modern *development*.

1.4 Research Questions

Against that background given in the research problem, I was curious to find out, among

- others: i) How are the people who were displaced sustaining their livelihoods?
- ii) How do they compare their living conditions or poverty levels now with that before the eviction?
- iii) How did or have they engaged the new investor?
- iv) What are their main concerns now?

1.5 Research Objectives

The research sought to study the socio-economic impact of the Bulyanhulu mine project in Tanzania, on the livelihoods of the people who were displaced. Specifically, the research objectives were:

1. To investigate the livelihoods of the displacees in the aftermath of the eviction.
2. To investigate how the participation of different stakeholders or actors (e.g. the affected miners, villagers, investors, the government, civil society) before and after the eviction, influenced the process and outcome of the displacement.
3. With the benefit of hind sight, to draw on major lessons on what could be done differently to avoid conflict and negative impacts from similar development-induced displacement on communities in similar environment in Tanzania and globally.

1.6 Significance of the Study

A research by the International Labour Organisation (ILO) estimates that 13 million people are engaged directly in small-scale mining activities throughout the world (Hentschel *et al*, 2004). This employment is mainly in developing countries, and the livelihoods of a further 80–100 million people are affected by it (*Ibid.*). While there is acknowledgement of the contribution of the small-scale mining sector in the economies of the different countries, in general the sector is considered as destructive to the environment and mainly as illegal. Increasingly, and especially so in developing countries such as Tanzania, most of the mining sites operated by small-scale mines are being taken over by large-scale or industrial mining. As a result of this, the livelihoods of local mining populations and their dependents have been affected.

Tanzania is rich in minerals and gemstones, and currently a number of mining extraction and exploration projects are going on in different parts of the country. In the recent past, a number of conflicts (some of them violent skirmishes leading to loss of lives) between large-scale investors and small-scale miners, with the government caught in between, have arisen over the right to the mineral sites. The main complaint in all these conflicts has been forceful eviction from the mining sites or blocs and the compensation offered being considered unfair by the people being evicted. In some instances, the matters were taken to the courts of law and/or the national Commission for Human Rights and Good Governance (CHRGG). Most of the cases, including those launched as far back as 1998, are still going on in court.

Given the fact there are many other mining areas with potential for conflict among the different actors with a stake (for instance, government, small-scale miners, large-scale investors, financial institutions), it can be argued that the findings from this research may provide lessons as to what could be done, in future, to attain both economic development and social justice, and indeed, national development as well as individual or community development.

Another issue of concern is the experience from previous research in other countries indicating that in most cases the people who were displaced ended up becoming poorer. There is, therefore, a need to study the consequences for the people who were affected in this instance in Tanzania.

Finally, the significance of this study is based on my position that the displaced people have a story that needs to be told to the world; a story that may lead to, at least, a policy change, if not social change at large. Susan Smith in Limb and Dwyer (eds.) (2001, p.27) says, 'Critical social science is about framing research and raising questions in ways that are accessible to *all* those who might make a difference' (emphasis in original).

1.7 Thesis Organisation

The thesis is structured into eight chapters. This first chapter introduces the reader to the study, giving the background to the study, the objectives of the research and the significance of the study. Chapter Two deals with the theoretical aspects of the research. The chapter focuses on the theory and frameworks I have used in the study, describing their meaning, application, relevance to the study as well as their limitations. The third chapter is about the research methodology. In this chapter I describe how I went about in collecting data in the field. I make some reflections on the process, and state how my position as a researcher influenced the outcome of the research.

In Chapter Four, I provide the context to the study. I start the chapter with a broad overview and narrow down to a more specific description that is in line with the objectives of the study. Legislation and policies relating to mining in Tanzania are discussed in this chapter. Livelihoods of displaced people in the study area are discussed in Chapter Five. This chapter is based on testimonies of the people who were actually displaced. By and large, their stories are a comparison of their lives before the eviction and 10 years afterwards.

Chapter Six dwells on the roles of different actors and how those roles influenced the outcome of the displacement, while Chapter Seven attempts to draw major lessons from the study.

The last chapter, Chapter Eight, summarizes major conclusions and provide some recommendations. It also proposes further studies on the issue of displacement caused by large-scale mining projects.

CHAPTER TWO

THEORETICAL FRAMEWORK

2.1 Introduction

In this chapter, a presentation of the study's theoretical framework is made. An attempt is made to try and link theory and practice in the field. According to Kitchin and Tate (2000, p.32), 'Theory is taken to be a set of explanatory concepts that are useful for explaining a particular phenomenon, situation or activity.' In this study, the phenomenon, situation or activity is the 1996 forced displacement of a community at Bulyanhulu to pave way for large scale mining development. In chapters Four through Seven, I describe the displacement and show how it relates to the theory I have chosen, that is, *Political Ecology*, to study the displacement.

2.2 Political Ecology

2.2.1 Meaning and Application

The main theory that guided the research is *Political Ecology* with an emphasis on political economy taking into account the influence of globalisation. Political economy is used here to mean the dynamic interaction between social actors (e.g. the displaced communities at Bulyanhulu), economic agents (e.g. the investors), and states (e.g. the Government of Tanzania) as they pursue development, wealth and power in national and international arenas (Reed, 2001).

From the outset, however, I would like to point out that I am mindful of the several definitions given to, as well as the debate around, Political Ecology. As Robbins (2004, p.5) says in his book titled *Critical Introductions to Geography: Political Ecology*, 'Some definitions stress political economy while others point to more formal political institutions; some identify environmental change as most important, while others emphasise narratives or stories about that change.'

Early research in political ecology seems to have centrally focused on biophysical ecological change of particular environments. By late 1960s, however, 'writings in political ecology focused on unequal power relations, conflict and cultural *modernisation*

under a global capitalist political economy as key forces in reshaping and destabilising human interactions with the physical environment'² (emphasis supplied). From the 80s to the 90s, according to scholars, biophysical political ecology became less central as political ecology became more 'structuralist'. To some critics, the increasing focus of *political ecology* on *politics* increasingly marginalised the role of *ecology*.

Robbins (2004), however, shows that some scholars accuse Political Ecology of being devoid of political content. As a corrective measure, the critics in this group urge researchers using political ecology to pursue a 'liberation ecology', where a more political theory of political ecology might better direct coherent normative explanations of social and environmental change, using materialist conceptions of consciousness, post-structuralist theories of discourse, and some form of environmental determinism.

Apparently, by 1999, the debate over the direction, and tension among scholars, of political ecology, had aroused the interest of some observers as exemplified by Walker (2005)³ as he quotes a 1999 publication by Pete Vayda and Brad Walters thus: 'Indeed, it may not be an exaggeration to say that overreaction to the *ecology without politics* of three decades ago is resulting in a *politics without ecology*.'

From the foregoing discussion, it is evident that at both ends of the spectrum of political ecology, questions have been raised, on the one hand some asking, '*where is the ecology in political ecology*',⁴ while on the other some critics charging that political ecology is '*largely without politics or an explicit sensitivity to class interest and social struggle*.'⁵

According to Blaikie (1999, p.5), geographers seem to be divided on their emphasis in 'political ecology': while physical geographers largely ignore the "political" in political ecology, human geographers have tended to de-emphasise the "ecology" in political ecology.

² See the article '*Political Ecology: where is the ecology?*' by Peter A. Walker, Department of Geography, University of Oregon, in the journal *Progress in Human Geography* 29, 1 (2005) pp. 73-82.

³ Ibid.

⁴ Ibid.

⁵ See Robbins (2004) quoted above, p. 206 under '*Too much theory or too little?*'

All said, however, it is my considered view that some of the definitions that could be useful in the analysis of the proposed research are given by Robbins (2004, p.6). According to the author, who quotes other scholars, *Political Ecology* can be used to ‘understand the complex relations between nature and society through a careful analysis of what one might call the form of access and control over resources and their implications for environmental health and sustainable livelihoods.’ In this case, Robbins posits that the goal of Political Ecology would be to explain environmental conflict especially in terms of struggles over knowledge, power and practice and politics, justice and governance. I discuss these issues in Chapter Six when I look at the roles of different stakeholders in what happened at Bulyanhulu.

Robbins (*Ibid.*) also presents another way to look at Political Ecology saying that it combines the concerns of ecology and a broadly defined political economy. Together this encompasses the constantly shifting dialectic between society and land-based resources, and also within classes and groups within society itself. The goal of Political Ecology in this case is to ‘explain environmental change in terms of constrained local and regional production choices within global political economic forces, largely within a third world and rural context’ (*Ibid.* p.6). This central feature of political ecology being able to explain and link decisions and practices by a person using land, also called land manager, to what happens at the other levels of society up to the global level is known as the *Chain of Explanation*.

The term “chain of explanation” was first introduced by geographers Piers Blaikie and Harold Brookfield in their seminal publication in 1987, *Land Degradation and Society*. The chain of explanation begins with the individual person who has direct relations with the land, and then traces the social relations of production outward and upward to the local, national and ultimately, the global scale (Neumann, 2005).

In this study, the chain of explanation has been used to show that the displacement of small-scale miners and villagers around Bulyanhulu can be traced to the globalisation

process and free market (capitalism) economy under the influence of International Financial Institutions (IFIs). It has also been used to show how national (state) policies have impacted on the livelihoods of the communities in that rural area of Tanzania. Furthermore, the chain of explanation has been applied to show the impoverishment and marginalization of the various individuals who eked out their living on the land that was given away to large-scale miners, who are seen by many in the country as simply greedy capitalists.

2.2.2 Critique and Limitation to Political Ecology

By comparison, political ecology is a relatively new field and, to some scholars and practitioners, it is yet to qualify as a theory *per se*. When Neumann (2005, p.5) discusses the constitution of political ecology he cites other scholars who have referred to political ecology differently, including calling it ‘a research agenda’, ‘an approach’, or ‘a perspective’. He also notes that increasingly, new modifiers are being attached to the term political ecology: ‘poststructuralist’, ‘feminist’, ‘Third World’, ‘antiessentialist’, ‘critical’, ‘First World’, ‘geographical’, ‘urban’, and even ‘liberation ecology’, the latter ‘reflecting a growing interest in the relationship of the environment to new social movements for entitlements, livelihoods and social justice’ (*Ibid.*, p.6). According to Neumann (*Ibid*), all this goes to show the expansion of and specialization within political ecology’s boundary. This can be surmised that, indeed, political ecology is still maturing.

Some scholars have criticized political ecology for being too long on critique and explanation but short on policy recommendations (Bryant, 1992).

And as alluded to earlier, while some scholars feel that the subject focuses more on ecology than on politics, and others feel the opposite is true, there are some who see political ecology as what Robbins (2004) calls ‘too much theory’, and yet others who see it as ‘too little theory’. Those in the former group argue that political ecologists invariably believe that political economic forces always determine ecological outcomes and hence they know the answer before they start to do their research. Their rivals, in the latter category, claim that political ecology offer haphazard, contextual, and *ad hoc* accounts following ‘chains of explanation’.

To some observers, these two views mean that political ecology, by trying to be all things to all people, has failed altogether (*Ibid*).

2.2.3 Relevance of Political Ecology to the study

The events that occurred at Bulyanhulu leading to the forced displacement of people could be explained by Political Ecology. Political ecologists work with political, economic, and ecological concerns and phenomena, and have looked beyond the local community to explain natural resource use, explored power dynamics in everyday interactions and formal policy arenas.

One can safely opine that the main social actors in the case under study, namely the government, investors and local miners were struggling over knowledge (*and technology*), power (*including financial power or capital*) and practice (*right to livelihood through mining*). The struggle, furthermore, was also one over politics, justice and governance.

Social justice is based on ‘the principle that all persons are entitled to basic human needs, regardless of superficial differences such as economic disparity, class, gender, race, ethnicity, citizenship, religion, age, sexual orientation, disability, or health. This includes the eradication of poverty and illiteracy, the establishment of sound environmental policy, and equality of opportunity for healthy personal and social development.’⁶

It can be argued here that the political decisions of the government to evict the small-scale miners cannot be divorced from economic and environmental considerations by the government. The government’s stand point was that, unlike the small-scale miners, the big investors would bring in more money while taking good care of the environment.

It can also be posited that the events of Bulyanhulu happened in accordance to the realities of globalisation, whereby large-scale, multinational investors are likely to take

⁶ The concept of ‘Social Justice’ as described in Encyclopaedia (Wikipedia) through Google search accessed on 17 April 2006. See http://en.wikipedia.org/wiki/Social_justice.

over production or resources from small enterprises or individual persons. Globalisation, which is both a political and economic process, has tended to create winners on the one hand, and losers on the other. Globalisation can be said to be a zero-sum game.⁷ It is a foregone conclusion that the winners are the investors who took the land, while the losers are those who were displaced. It is debatable whether the government of the day is a loser or a winner.

In this study, the issue of globalisation is discussed in light of the movement of capital and technology and hence Foreign Direct Investment (FDI); the role of International Financial Institutions (IFIs) and Transnational Companies (TNCs), and similar events happening around the globe. It is also noteworthy that gold mining is a global business with global interest. Gold is also used in international markets as a monetary standard. Finally, the issue attracted international attention, at least, from civil society organisations outside Tanzania as well as from some Western media.

It is this combination of political, economic and environmental factors that led me to choose the Political Ecology with an emphasis on political economy, as a theory that could be used to guide the research. In this research, I was interested in understanding how the displaced people have survived ever since. I feel I was able to accomplish this mission since 'Political Ecology is something that people do, a research effort to expose

⁷ A zero-sum game is any game where the losses exactly equal the winnings. Most sporting events and board games are zero-sum games in the sense that for every winner there is a loser, and winners exist if losers exist. When there are large losses to be allocated, any economic decision has a large zero-sum element. The economic gains may exceed the economic losses, but the losses are so large as to negate a very substantial fraction of the gains. What is more important, the gains are not allocated to the same individuals or groups. On average, society may be better off, but this average hides a large number of people who are much better off and large numbers of people who are much worse off.

See Thurow, Lester C. (1980, pp. 11-12). *The Zero-Sum Society: Distribution and the Possibilities for Economic Change*. New York: Basic Books.

the forces at work in ecological struggle and document livelihood alternatives in the face of change' (Robbins, *Ibid.*).

And as Keil *et al* (1998, p.1) say, despite political ecology being 'a relatively new area of critical exploration, and at present raising more questions than it answers... these are timely, and in some cases unique questions' (p.1).

The study has used political ecology as a theoretical framework to describe two major phenomena or issues at Bulyanhulu among the people who were affected by the mining development project. The following two sections of this chapter briefly discuss the two issues under the study, namely Impoverishment and Livelihoods.

2.3 Impoverishment Risks

2.3.1 Meaning and Application

Literature based on previous research on development-induced displacement (e.g. Cernea and McDowell, 2000) is replete with negative experiences on the part of the displaced people. Examples are drawn from India, Kenya, Madagascar, Mauritania and Sri Lanka, to mention but a few. Invariably, the displaced people have tended to be impoverished by the development projects that are introduced. Michael Cernea in Cernea and McDowell (*Ibid.*) has identified at least eight consequences, which are basically risks, associated with displacement. He mentions the risks as *Landlessness; Joblessness; Homelessness; Marginalisation; Food insecurity; Increased morbidity and mortality; Loss of access to common property assets, and Community disarticulation.*

Cernea, who has worked on issues of 'Resettling and Reconstruction' for displaced populations, developed a model that could be used to mitigate the likely negative impact of displacement, including the above mentioned risks. He calls the model *Impoverishment Risks and Reconstruction (IRR) Model.*

It is my assertion that cutting across Cernea's IRR Model is the question of human rights as defined in the Universal Declaration of Human Rights.⁸ According to the declaration, is, a people are entitled to different rights and freedoms, including right to a residence, gainful employment, owning property, a healthy life, and participation in dealing with issues of their concern. In sum, a people are entitled to a sustainable livelihood, which is more than making a living in an economic sense.

This study, among other objectives, set out to investigate the impact of displacement on the lives of the affected people. According to the World Bank Resettlement Operational Guidelines (2004), the resettled people must have their living conditions at a better or restored to the same level as prior to displacement. It is against this background that the question of whether there was impoverishment or not becomes relevant. The issue of impoverishment is also raised in the political ecology as one of the areas for study.

In my study, however, I chose to focus on four components or risks identified by the IRR model, namely *landlessness*, *homelessness*, *joblessness* and *food insecurity*. No doubt, these four components are crucial to any community in attaining sustainable livelihoods. I decided to limit the scope to only some (these four) of the components in order to have a sharper focus on few issues rather than trying to deal with everything. Time available for fieldwork was also an issue that was considered.

2.4 Livelihood Analysis

2.4.1 Meaning and Application

Long (2001, p. 241) describes livelihoods as being 'made up of practices by which individuals and groups strive to make a living, meet their consumption necessities, cope with adversities and uncertainties, engage with new opportunities, protect existing or pursue new lifestyles and cultural identifications, and fulfil their social obligations.' Moseley and Logan (2004, p.3) define *livelihood systems* as 'the assets (natural, physical,

⁸ The Universal Declaration on Human Rights (UDHR) was adopted by the United Nations General Assembly in 1948.

human, financial and social capital), the activities, and the access to these (mediated by institutions and social relations) that together determine the living gained by the individual or household.’ This definition is close to the one offered by Chambers and Conway (1992) as quoted by Ellis (2000, p.7) ‘wherein a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living.’

The concept of livelihood has been used by researchers who want to understand how individuals or communities, especially when threatened by poverty, have been able to survive or cope with change thrust upon them by external factors. The external factors could be natural or man-made, and may include failing weather condition or state-sponsored market or land policies. According to experience, the survival or coping of these individuals or communities have been made possible through livelihood diversification. Although it is possible to talk of diversification as a way of increasing accumulation, that is, diversification taken voluntarily by *choice*; in case of distress or hardship, the livelihood diversification would be involuntary, carried out as a matter of *necessity*.

The ability of an individual to cope with an adverse condition and/ or recover from a shock or stress would depend on a number of factors including the range of assets owned by the individual before the disturbance in the livelihood. Quoting a 1992 publication (by Chambers and Conway), Moseley and Logan (2004, p. 4) suggest that ‘a livelihood is sustainable when it can cope with and recover from stresses and shocks and maintains or enhances its capabilities and assets both now and in the future, while not undermining the natural resource base.’ Indeed, research has shown that communities can diversify their livelihoods ‘in order to survive or improve their standards of living’ (Ibid. p.127).

One of my research objectives was to investigate the livelihoods of the displaced people ten years after the eviction. I wanted to understand how they have been able to cope with the situation and survive. I return to this issue at length in Chapter Five.

2.5 Linking Political Ecology to Impoverishment Model and Livelihood Analysis

My research questions and objectives revolve around the livelihoods of the displaced people and whether or not the displacement affected their poverty levels. I invoke Political Ecology to argue that central to both the affected livelihoods and the displacement was the land resource. Land is both a political and an economic entity. As such political ecology deals with political economy issues. As Paulson *et al* (2005, p.27) put it, political economy is concerned with effects ‘on people, as well as on their productive activities, of on-going changes within society at local and global levels’ ...and is ‘synonymous with economic and ecological distributional conflicts.’

In this thesis I show that the displacement that occurred is connected to global interests that can be traced beyond the local community. The displacement, which might have contributed to the impoverishment of the local mining community, can be linked to the power relations among the different stakeholders. According to Paulson *et al* (*Ibid.*, p.27), political ecology is based on ‘research on practices and negotiations of power relations both among resource users and between resource-using communities and outside holders of power.’ At the same time, however, the individuals in the community, impoverished as they could be, they are coping to sustain their livelihoods. These issues are discussed further in chapters Four through Six.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

In this chapter, I outline how I went about collecting data for this thesis in the field, the *field* being both the relevant locations I visited in the course of data collection, and the sources of such information. The field, therefore, comprised Dar es Salaam, the government seat of Tanzania, where most institutions relevant to the study are located, and Bulyanhulu where the displacement under study took place. Apart from Dar es Salaam and Bulyanhulu, I also travelled to Arusha to meet a key informant, and I spent a day in Geita, a place close to, and with similar characteristics or fate, as Bulyanhulu, the main study area. I spent six weeks in Tanzania for this purpose, between June and August 2006. I should add, however, that the *field* also included the various documents, in form of books and reports, that I accessed in Norway, both prior to my travel to Tanzania, and after my return to Norway, as well as those I got while in Tanzania.

3.2 Research Process

Before going to Tanzania I reviewed relevant literature in relation to development-induced displacement in general and contacted some sources who knew about the Bulyanhulu case in particular. I informed them about my planned visit and asked for their help in terms of more contacts and documented reports on the case. I also acquainted myself with issues around *livelihoods*, mining and *qualitative methods* through reading.

I reflected about the kind of questions I would ask during my interviews (see interview guide in *Appendix 1*) before I went to meet the different respondents, depending on what I perceived as their role on the research questions, their knowledge, or expert opinion on the issues under discussion. For individual victims or survivors, therefore, the key issues were on land, employment (job), house (home), food and other issues related to livelihoods, including diversification (e.g. assets, networks and social capital). As for government officials main questions centred on laws, policies, regulations and statistics,

while for academicians I tried to seek their opinion on the subject, advice on relevant literature, and other contacts in the area under discussion.

It took me longer than I had anticipated getting contacts and appointments with government and mining companies (including other companies besides KMCL). One of the reasons for this unavailability of the key officials can be explained by the timing of the fieldwork. In Tanzania, during June-August it is the budget session and most of the senior officers are involved in this process and some travel to the parliament outside the capital. Those who stay behind dedicate their time to responding to queries from members of parliament. At the same time, during that period an international trade fair usually takes place in Dar es Salaam, which again, takes time of some of the officials, including those from the private sector whose organisations participate in the exhibitions. The mining company (KMCL) did not respond to my appointment request despite several follow-ups. As for the police force, it took them about 10 months to provide me with some data on the incidences related to land conflicts (*See Appendix 3*).

3.3 Data Collection Methods

Conventionally, research methods can be divided into quantitative, qualitative and participatory research methods, each with differing underlying approaches, tools and techniques. However, as Mayoux (2006) in Desai and Potter (eds.) (2006) says, the divides are becoming increasingly breached as now there is a constructive cross-fertilisation of tools and more integrated methodologies to build on the complementarities between different methods.

Mayoux adds that for each research method, strengths and weaknesses are not always absolute, but depend very much on how particular methods and tools are used and whether they are used ‘well’ or ‘badly’, because what may be potential strengths in relation to one context or purpose, may be potential weaknesses in others. For instance, the very openness and flexibility of qualitative methods may lead to, or be construed as, lack of focus, while quantitative methods may be accused of trying to measure the ‘immeasurable’.

I decided to collect data using Qualitative methods. Contrasted to quantitative methods, qualitative methods deal, in an intensive manner, with smaller number of samples, and do not apply mathematical methods in analysis. I planned to study few people in a small community.

I chose *Qualitative* methods because they provide the opportunity to understand the complex realities and processes as well as underlying strategies and constraints. In this research, I sought to understand ‘lived experience and to reflect on and interpret the understandings and shared meanings of (displaced) people’s everyday social worlds and realities’ and I sought ‘subjective understanding of social reality rather than statistical description or generalisable predictions’ (Limb and Dwyer, 2001, p.6).

In this research, I wanted to get the story of the displaced people out to the world, and qualitative interviews are methodologically suitable in this case ‘because they allow a wide range of experiences to be documented, voices to be heard, representations to be made and interpretations to be extracted’ (Ibid. p.29).

3.3.1 In-depth Interviews

Face-to-face in-depth interviews with selected evictees were carried out to gain insight into how they are managing after the displacement. The focus of these interviews was on the livelihoods. Questions focused on issues of land, housing, employment and quality of life in general and aimed at comparing the livelihoods before the eviction and that after the eviction. While I aimed at getting good insight into community experiences from the in-depth interviews, I acknowledge that the method was time-consuming.

I conducted these interviews with 11 respondents from Bulyanhulu area, obtained through snow-balling. With the exception of the leaders of the small-scale miners, I have kept other respondents anonymous.

I was able to meet most of these respondents without prior appointments or them indicating signs of reluctance, with the exception of one interviewee, who questioned the use of my research, arguing that researchers had come and gone without any

improvement to their living conditions. He was later very cooperative and he even showed me some of the copies of the documents as he wanted to prove his arguments. This respondent was among the local leaders of the village.

Most of the interviews took place at the respondents' homes and without the presence of other people. I hope this privacy provided confidence and promoted openness on the part of the respondents. I remember in one instance, however, as I was interviewing a respondent in his home, a visitor came, and he listened to our interview, and he even contributed to the responses of the host. Sometimes, they would ask one another to confirm, for instance, a date or an event. In general, the interview atmosphere was fine and I believe the respondents were as honest as they could remember.

My interviewees comprised leaders or former leaders of the miners association (committee) or village government and other people who had not held any leadership position. I found those who were, or had been, leaders were more exposed and more knowledgeable. They were more articulate and, perhaps, more 'political'. Most of them also still ran some small businesses; one had a small shop (kiosk), another had a car which was for hire, and others had just established new mining pits in the outer villages where their operations, however, were also considered as illegal.

3.3.2 Focus Group Discussions

On this method, Desai and Potter (2006) argue that focus groups provide a good method for accessing group viewpoints and perceptions, highlighting differences between participants. Focus groups, which are accessible to people with low literacy levels, such as those in the area under research, are commonly used to ascertain information on collective views of social issues. They are considered as good for dealing with a sensitive topic, and can generate rich and abundant data. By their nature, they are relatively participatory and empowering and can lead to collective action. This seems to be in line with one of the characteristics of Political Ecology, that of being considered liberating and activist.

In my plans, I had proposed to conduct Focus Group Discussions (4 at most) to get more insight into some of the responses obtained from the in-depth interviews. However, while in the field I realised that the respondents' stories were similar and there was not any issue that I could consider as controversial that needed 'many discussions' to arrive at a consensus. That view was also given weight by the fact that I had fewer days to spend at Bulyanhulu than I had earlier anticipated. I therefore held one Focus Group Discussion, in which 12 people, 6 men and 6 women, participated. I asked them (the participants) whether they would mind to be in a mixed group (men and women) and they confirmed that they would not mind. Both men and women were active during the discussion and it did not appear that gender could have affected their participation. Of these 12, one person had already taken part in the in-depth interviews.

The participants in this Focus Group Discussion did not know that they would take part in such a forum nor had I planned for that on that day. What happened was that as I was visiting some small-scale miners at some place, word had gone around the village, and people just came to see the visitor or the intruder, that is, me. The person, who had taken me to the area, then explained to them what I was doing in the area. I also explained to them the purpose of my mission and asked them whether they could be ready to talk to me. I talked to them on a one-on-one basis.



Fig. 3. 1 Focus group discussion with some respondents at Namba Mbili village
Source: Wanzala, P.N. Fieldwork, 2006

I can, therefore, say recruitment was spontaneous and the participants were all the people who had been affected by the displacement. Their viewpoints in the discussion were not so different. I managed the discussion by asking questions and taking notes myself. Two other people who had accompanied me to the area and a hired driver did not take part and kept themselves at a distance. In general, there was domination by a particular member of the group and I tried to give everybody a chance to speak, sometimes rephrasing the questions and probing so that participants would contribute more in their own words other than saying “I agree with the previous speaker”. The discussion centred on two main issues that I had picked during the interviews and that I thought needed some discussion in order to get more insight into as well as clarifying some of the issues raised by different interviewees. From the in-depth interviews, I felt I needed more discussion on the view of the mining community as regards development and their main concern at the time. See *Appendix 2*. The main conclusions from this discussion are discussed in Chapter Seven.

3.3.3 Key Informant Interview

I interviewed a number of key informants from relevant offices at both the national and local level. At the national level I was able to interview officials from the Ministry of Energy and Minerals which is responsible for all sectoral matters pertaining to mining in Tanzania. As well, I contacted the National Environment Management Council and the Division of Environment, both of which deal with matters relating to management of the environment including issues such as the Environmental Impact Assessment (EIA), which is required for approval of large projects that may affect communities.

I also interviewed academicians with the University of Dar es Salaam and the University College of Lands and Architectural Studies (UCLAS) for their expert opinion on the issues under study. I also approached the World Bank (Country Office) for their experience and involvement in the project and in similar ones around the world.

I was able to meet the Songosongo Natural Gas Project officials, the project of which displaced thousands of people, but to date, it seems “everybody” was pleased with the displacement. Here I wanted to compare the experiences and lessons learnt.

Additionally, I met with representatives of two civil society organisations whose members or stakeholders have been affected by such displacement or mining development in general. These organisations, national in nature, deal with environmental and land rights in particular and human rights in general.

I also held talks with a representative of an international non-governmental organisation working in the area (CARE International), as well as with a coordinator of a local NGO. Other key informants included ward and village executives and politicians.

Besides planning to meet the mining company that now occupies the area hitherto under the displaced communities at Bulyanhulu, I also wanted to interview officials from other mining companies whose projects have also displaced people. The two projects I chose are Geita Gold Mine project under the AngloGold Ashanti Geita Gold Mine, and the Nzega Golden Pride Mining Project run by Resolute Tanzania. I was able to interview a representative of the Geita Gold Mine in Dar es Salaam.

It was difficult to get details from the Nzega project because they insisted that I should travel to Nzega, and meet the community there, which I would have liked to do, but their confirmation for the same was late and came while I was already at Bulyanhulu conducting my fieldwork. It was a pity that their Dar es Salaam office was not authorized to provide me with the information I wanted. However, it is sad to note that the mining company whose project is at the centre of this study did not grant me an interview despite receiving my letter of introduction and a personal briefing on the proposed research.

3.3.4 Unstructured Interviews

I conducted numerous interviews, unstructured, with different people, whenever possible. These included the people I met as I tried to go around the mining centre and in the village, in shops, at restaurants; or when I boarded vehicles (buses and taxis) or when I

rode on hired bicycles, as well as when I travelled between Mwanza-Sengerema-Geita-Kahama. The information they provided invariably tallied with what I had got from other sources and observed.

3.3.5 Field observation

While in the research study area, I tried to observe features that are related to the research questions, such as farms, houses and life standards, as a way of evaluating and validating some of the responses provided by the respondents vis- a-vis their livelihoods.

In the course of my visit to various places in the area I took some photographs with my camera, and when the people were to be included in the photo, I requested for their permission.

3.4 Reflections on data collection process

At the time of my visit to Tanzania, and until todate, the issue of small-scale miners versus large and foreign investors is, in general, politically sensitive. This is compounded by the allegations of the killings of small-scale miners at Bulyanhulu and at other mining areas. In 2002, the government instituted sedition charges against two environmental lawyers and human rights activists and a prominent politician over the issue of alleged killings. The case is still pending in court. On the other hand, some of the displaced people at Bulyanhulu had a court case awaiting trial, in which they are challenging the mining company and the government over the compensation they received or never received when they were evicted.

The public feeling then, as now (at the time of writing the report), is one of displeasure with the large scale-miners, who are viewed as plunderers of the Tanzanian economy and abusers of human rights of their local or indigenous staff as well as the local communities surrounding them. At the same time, the public views the Government of Tanzania as weak and most likely corrupt, and one that is not concerned with the plight of its citizens and especially the poor, rural, displaced communities.

It is also noteworthy that at the time of my visit to Tanzania, the government had just announced that it had embarked on a process to review all the mining contracts with large-scale investors and would possibly cancel those that do not seem to be of public interest.

I am of the view that these circumstances could have made the respondents, especially those from the government, at all levels, to be sensitive and avoid sharing information. I have a feeling that most people in general and the mining companies especially, thought I was sent by the government to spy on the dealings in the mining sector. It should not, therefore, be surprising that the Kahama Mining Company shunned my request for information.

On the other hand, the people who were evicted could also have tended to exaggerate their suffering, probably hoping to get some or more compensation. I dealt with these issues diplomatically but openly to avoid creating false hopes and actually ‘doing more harm than good’.

I can also mention that the people affected by the project were enthusiastic to share their stories with me, and they looked at me as a saviour of some sort, having known that I had gone there all the way from Dar es Salaam where I lived, and Europe where I studied. They insisted that I should get their story out, loud and clear, on how miserable they were. They were unanimous that all they wanted was a fair compensation before they could leave the area, if need be, and go to establish themselves sustainably elsewhere.

Let me say a few words about validity of my study. Kvale (1996, p. 238) describes validity as ‘the degree that a method investigates what it is intended to investigate to the extent to which our observations indeed reflect the phenomena or variables of interest to us.’ This means it may be difficult to have a universal validity. However, to improve research validity in terms of credibility, plausibility and trustworthiness of the findings, I used several tactics to test and confirm the findings. I tried, for instance, to have a sample of respondents from among the people displaced, their leaders, local organisations, local

politicians, weighing evidence. I also looked for evidence from similar displacement, and checked out rival explanations. This is in line with the suggestions given by Kvale (Ibid. p. 242). That is also why I decided to use a number of methods simultaneously, that is, in-depth interviews, focus groups and observations, supplemented by secondary sources. The body language of respondents during the interviews and discussions was also considered as it could provide some hints for the evaluation of the respondents.

All said, however, I am confident that the respondents in the community represented, in general, the view of the wider community affected by the displacement.

3.5 Data Analysis

I analysed the data I gathered on the basis of the theory of political ecology, against the impoverishment risk model, particularly focusing on livelihoods. From the different responses I looked for similarities and differences. This enabled me to make some generalisations. I then clustered issues of interest relating to these three parameters according to the research objectives. I also compared and related the information I received from informants with what I had read from secondary sources to generate meaning.

In my in-depth interviews with the displaced people, I was conscious of the possibility of exaggeration of the claims by the respondents. For such a community, which feels it has been negatively affected by the project, it is more likely to project the situation as a completely hopeless one. This is understandable and as Yeager and Miller (1988, pp. 173) put it, 'Exaggeration is a sign of passive resistance to the curtailed livelihood source and style. It is also a way of trying to redress the imbalance of power; hoping that they will move sympathy and probably help from powers that be and Good Samaritans.' However, I did not find any evidence of such exaggeration, and whenever I suspected that a respondent could be exaggerating, I tried to cross-check that information with other respondents.

In chapters Four through Seven I focus on the findings of the study based on the secondary sources of data as well as on the interviews I held with different respondents.

CHAPTER FOUR

CONTEXTUAL ANALYSIS TO THE STUDY

4.1 Introduction

This chapter presents the context into which the study is placed. It does so by first giving the historical background of mining in Tanzania and identifying the two categories of mining in terms of the actors. It then highlights the various legislation and policies in as far as they impact on the sector as a whole, and finally touches on the issue of displacement as a result of mining activities in the country. The chapter ends with a discussion that summarizes the context into which the study is placed within the political ecology.

4.2 Overview of Mineral Sector in Tanzania

Tanzania is endowed with various valuable natural resources including minerals of different quantities and quality. According to Bagachwa and Limbu (1995, p. 254), 'The catalogue of Tanzania's minerals discovered so far include: Precious metals (gold, silver and platinum); base metals and other metals (zinc, lead, copper, nickel, tin, tungsten, cobalt and beach sand minerals); ferrous metals (iron and chromium); and precious stones and gemstones (diamonds, rubies, tanzanite, gem garnets, emeralds, tourmaline, spinel, zircon, sapphire and peridot). Also found are industrial minerals (graphite, mica, kaolin, bauxite etc); energy minerals (coal, gas, uranium, petroleum, etc) and evaporates (salt, soda ash, gypsum limestone, etc).' By 1998, Tanzania had over 800,000 sq. km. of varied geological terrains with under-explored and under-developed minerals environment (MEM, 1998).

As in many other African countries, mining activities in Tanzania are historically traceable to the pre-colonial period and most known activities at the time consisted of mining and working of iron, copper and salt. However, 'unlike the other minerals which were primarily exploited by Africans, gold was exploited on some scale by Arab traders' (Chachage, 1993, p. 90). And as it will be shown later, during the colonial period under the Germans and subsequently the British, the natives were prohibited to extract gold,

which was undertaken by colonialists and (their) companies from South Africa and Britain.

After the independence of Tanganyika in 1961 and following the Arusha Declaration of 1967, which sought to put all the pillars of the economy under the state (nationalization policy under the *Ujamaa* centrally planned economy), basically all mining activities were placed under the state. The government established its own firm, State Mining Corporation (STAMICO) to oversee all mining activities in the country. This state of affairs continued until in the 1990s when the government adopted economic liberalization policies, otherwise known as Structural Adjustment Policies (SAPs), which allowed and encouraged private investors and especially foreign-based into the mining sector. Because of the favourable mining investment climate in as far as the investors were concerned, between 1995 and 2005, seven large-scale mines had come on stream, six of them gold mines (MEM, 2005).



Figure 4. 1 Metallogenic map of Tanzania

Source: Ministry of Energy and Minerals, MEM (2005).

4.2.2 Small-Scale Mining

Mining can be categorised as small-scale or large-scale on the basis of financial capital invested; sophistication of technology and equipment used; the area under exploitation worked upon, and the number of people directly involved in the mining process.

In the case of small-scale mining, such a process could be run by a family and the capital could have been raised through self-financing. The technology involved is relatively crude and manual, and the area under exploitation owned by one person could be just a few hectares. The people involved in this process can therefore be identified as small-scale miners; or 'small miners, also called artisans, galampsey, creusseurs or pailleurs' (Chachage, 1993, p. 98).

Traditionally, mining activities in Tanzania have been carried out by small-scale or artisanal miners. During the pre-colonial era and given the subsistence level of economy obtaining in the country ever since, most of the mining and metal works were carried out by blacksmiths and silversmiths. This reality continued during the colonial period and even after their departure. According to Chachage (1993), it was essentially small-scale miners who dominated gold production in the 1920s. Companies (mainly medium and small-scale) from South Africa and Britain entered the scene in the mid-1930s. Most of these had closed down by 1965, as a result of sanctions against South Africa and the low price of gold. Despite the departure of the companies, gold production continued in the hands of small-scale miners from the 1960s to the present.

There have been various estimates of the number of small-scale miners who have been operating in the country since the 1990s. According to Butler (2004), the ILO estimated in 1999 that there were between 450,000 and 600,000 artisanal miners employed in small-scale mining in Tanzania. On the other hand, Reed (2001) had estimated one million small-scale miners to have moved into the largely unregulated yet very dynamic small-scale mining sector during the 1990s. The estimate by Reed was based on projections from a study conducted by Tan-Discovery, a consulting firm, which stated that more than 555,000 people were directly involved in mining, and another by the

Federation of Miners Associations of Tanzania (FEMATA) which estimated that 550,000 people were directly engaged in mining activities in 1997. It should be pointed out here that most of the small-scale miners operate in gold production.



Figure 4. 2 A miner sieving ores suspected to contain gold.
Source: Wanzala, P.N. Fieldwork, 2006

Unofficial projection by an official with the Ministry of Energy and Minerals estimated the number of artisanal miners by mid-2006 to be about one million-and-a half. Despite the fact that there have been more mineral discoveries and especially gold rushes in the different parts of the country even after 1999, and that one should therefore have expected the number of small-scale miners to swell even further, it should be noted that most of those areas where the small miners worked have been taken over by large-scale miners. I was also informed by a respondent from the World Bank, that a project dealing with small-scale mining was being prepared, that among other things would conduct a census of all small miners, so that they are better assisted in their production and marketing processes. In the meantime, the official working figure for the number of small-scale miners in Tanzania can be taken to be 1.5 million. This number is by no means small and is about 7 per cent of the country's estimated labour force of 2005.

Before the end of the chapter, I will discuss the contribution of small-scale gold mining as well as that of large-scale mining to the economy as a whole. But now I turn to large-scale mining in Tanzania.

4.2.3 Large-Scale Mining

Large-scale mining in Tanzania is currently done by multinational companies, mainly originating from Canada, Australia and South Africa and the main area of exploitation is on gold. Between 1995 and 2005, Tanzania witnessed commissioning of seven large-scale mines, six of them gold mines. Other large-scale mining is on diamond and tanzanite. Table 4.1 below summarises some of the on-going projects, their location, year of commission, and both the estimated annual production and reserves of each mine. The data was extracted from the 2005 publication by the Ministry of Energy and Minerals titled *Tanzania Opportunities for Mineral Resource Development* (p.2 and p. 44).

Table 4. 1 Major gold mines in Tanzania by July 2006

Mine (year commissioned)	Annual production (rated capacity) (ounces)	Estimated reserves (ounces)
Golden Pride (Nzega) (1998)	200,000	2.8 million
Geita Gold Mine (Geita) (2000)	600,000	20.0 million
Bulyanhulu Gold Mine (Bulyanhulu) (2001)	400,000	14.6 million
Afrika Mashariki Gold Mine (Mara) (2002)	280,000	4.1 million
Tulawaka Gold Project (Biharamulo) (2005)	100,000	1.7 million

Source: MEM, 2005, (p. 2 and p. 44).

It should be noted here that most of this large-scale mining started in late 1990s mainly because of the favourable investment regime that was provided by both the Mineral

Policy of Tanzania of 1997 and the Mining Act of 1998. These will be discussed below. Contrary to small-scale mining, which is labour intensive, large-scale mining employs relatively very few people. According to the Tanzania Chamber of Minerals and Energy (TCME), for instance, the large-scale mining has created about 8,000 direct jobs in the sector.

The Chamber of Mines is basically a lobby group and claims to have a membership of about 50 participants drawn from ‘a broad spectrum of key players in the mining industry including small-scale miners, individuals, small, medium to the largest international mining companies in the world who have identified Tanzania as a worthwhile investment destination’ (TCME, 2006). This is a quotation from a brochure printed by the chamber. The brochure lists the members in terms of categories as senior companies (all multinational mining companies), junior companies (these mainly do exploration and include one state coal mine), senior associates (mainly service providers including a bank and an oil company), junior associates (again mainly related service providers but includes a regional – southern and eastern Africa-mineral centre), and individuals (these are mostly private local consulting firms).

Although they are said to be members of TCME, it does not seem that the small-scale miners of Tanzania belong to this grouping. Efforts to meet officials of the chamber during the fieldwork in Tanzania to clarify on this membership among other things were not successful.

4.2.4 Mineral Sector Development

The mineral sector has been steadily increasing its contribution to the overall national economy, in terms of GDP, from, for instance, less than 1 per cent in the 1980s (TCME, 2006) through 3.0 per cent in 2003, to 3.2 per cent in 2004 and 3.5 per cent in 2005 (*Tanzania Economic Survey*, 2004; 2005). The target set by the Mineral Policy is to contribute 10 per cent of GDP by the year 2025. It is likely that this target could be reached given the on-going mineral exploration work that has discovered resources in excess of 45 million ounces of gold, 1.5 million tonnes of nickel and 50 million carats of tanzanite (MEM, 2005).

Table 4. 2 Mineral sector growth over the years

Indicator	Year	Number/Value
Prospecting and mining licences	1990	9
	2001	250
	2004	3,000
	2006 (mid)	6,800 ⁹
Total mineral exports	1996	USD 15m
	2004	USD 672m
	2005	USD 693m
Proceeds from gold exports alone	1982	USD 200,000
	2004	USD 630m
	2005	USD 655m

Source: MEM, 2005; Tanzania Economic Survey, 2004; 2005.

Government reports (e.g. MEM, 2005; *Tanzania Economic Survey*, 2004; 2005) depict a picture of rapid growth in the mining sector. For instance, during the last ten years foreign investment into the mining sector was about USD 2.5 billion of which USD 1.5 billion was Foreign Direct Investment (FDI). Table 4.2 above summarises these figures. Tanzania is now the third largest gold producer in Africa behind South Africa and Ghana.

The government has often tended to attribute the recent achievements in the mining sector, almost solely, to the entry of large-scale, foreign-owned mining companies. In a way, denigrating the important role played hitherto and currently by the artisanal miners. For instance, Tanzania's artisanal mining sector generated an average USD 30 million annually in official gold exports between 1990 and 1994, from 13.84 tonnes of gold

⁹ The figure for 2006 was obtained from an official of the Ministry of Minerals and Energy during an interview

produced by small miners during the period (Dreschler, 2001). That amount was only surpassed in 1999 when Bulyanhulu Mine entered into production. In 1992, according to Dreschler, 76 per cent of all mineral export earnings (in Tanzania) came from gold mining by artisanal miners (2001, p. 81). Despite technological advancement globally, Chachage (1993) had a similar observation when he said over 40 per cent of gold in Sub-Saharan Africa was still being produced by artisanal miners.

Having looked at the development of the mineral sector in the country over the recent years, I will now focus on the legal and institutional framework in so far as mining is concerned.

4.3 Institutional and Legal Framework for Mining in Tanzania

The legal and institutional environment that informs the mineral sector in the country is consistent with, and has been influenced by, the political and economic reforms that the government of Tanzania has been taking since the early 1980s. In short, the framework follows the Structural Adjustment Policies (SAPs), which favours a private sector-led economic management and development and encourages the government to focus mainly on governance issues generally. The role of government shifted from that of owning and operating mines to that of providing policy guidelines, regulations, stimulating private investment in mining and providing support for investors (MEM, 1997). It can be noted that the shift was a change from the post-independence *Ujamaa* policies, which dictated that all pillars of the economy be placed under and run by the state.

4.3.1 Mining Laws

The main instruments governing mining in the country are the Mineral Policy of 1997, Mining Act, 1998 and Mining Regulations, 1999. The Mineral Policy has as its main objective to ‘attract and enable the private sector to take the lead in exploration, mining development, mineral beneficiation and marketing’ (MEM, 1997, p. 8). The policy, together with the Act, has, therefore, provided what can be described as “incentives” through “competitive” fiscal regime, legal and regulatory framework. Investors, for instance, enjoy numerous tax exemptions, including tax holiday (grace period before they can start paying some taxes) and are free to repatriate profits.

It is noteworthy, however, to mention the role of International Financial Institutions (IFIs) in this “favourable” mining environment, notably the World Bank. According to Butler (2004), it would be difficult to over-emphasize the role that the World Bank has played in catalysing the privatisation and reform of Tanzania’s mineral sector. In 1993-94, the World Bank initiated a five-year Mineral Sector Technical Assistance Project for Tanzania, designed to “introduce a legal, regulatory and fiscal framework, which would provide an environment conducive to private investment in mining.” The project included assistance in rewriting relevant national legislation such as the new Investment Act, 1997 and the new Mining Act, 1998 to “harmonize” Tanzania’s legislation with the requirements of the new global political economy (2004, p. 68).

Accordingly, today the investment climate in Tanzania is such that foreign and local investors, including investors in mining, are protected against nationalization. Property guarantees and political risks are provided under the Multilateral Investment Guarantee Agency (MIGA). Settlement of disputes between a foreign investor and the Government of Tanzania may be arbitrated through ‘arbitration laws of Tanzania for investors; the rules of procedure for arbitration of the International Centre for the Settlement of Investment Disputes (ICSID); and within the framework of any bilateral or multilateral agreement on investment protection agreed to by the government of the country from which the investor originates’ (MEM, 2005, p. 9). Both the MIGA and ICSID are affiliated with the World Bank.

4.3.2 Environmental Laws

The Mining Act, 1998 has specific environmental regulations known as the Mining (Environmental Management and Protection) Regulations, 1999. For instance, any developer applying for a Special Mining Licence, Mining Licence or Gemstone Mining Licence is required to include a feasibility study which sets out the proposed programme of mining operations and which must be accompanied by an Environmental Impact Assessment (EIA) and the Environmental Management Plan (EMP). EIA is a planning tool used to integrate environmental considerations in the decision-making process, in

order to ensure that unnecessary damage to the environment is avoided. The EMP shows how the different issues identified in the assessment (EIA) will be addressed. This requirement is also stated in the National Environmental Policy of 1997. The recent Environmental Management Act, 2004 has also emphasized the need to take into consideration the social aspects during the Environmental Impact Assessment rather than focusing solely on the physical environment characteristics as had been the case.

During the interview with an official with the National Environment Management Council (NEMC) it came to light that despite having detailed laws and regulations most of the time they were not followed or adhered to by the mining companies. While it is true that most of the large-scale and internationally financed mining projects do conduct EIAs prior to the commissioning of their projects, most of the time there is no monitoring and evaluation of the performance after the projects take off. The official attributed this to a number of factors including lack of resources on the part of enforcing agencies to conduct monitoring and evaluation as necessary; low awareness and acceptance on the need to have EIAs in the first place; unregulated trade liberalisation or market forces, and what he termed as '*political interference*' but which he associated with corrupt practices, either political or financial corruption, by responsible parties.

4.3.3 Land Laws

There are at least three laws relating to administration of land that can, in one way or another, have a bearing on mining activities. These are the Land Acquisition Act, 1967; Land Act, 1999, and the Village Land Act, 1999. The laws, for instance, provide that all land belong to the state and that the presidency is entrusted to hold it on behalf of the public. The President may acquire any land where such land is required for any public purpose, such purposes including 'for or in connection with mining for minerals or oil' (URT, 1968). The laws also provide that if the President resolves that any land is required for a public purpose (such as mining), the Minister for the time responsible for lands shall give notice of intention to acquire the land to the persons interested or claiming to be interested in such land. The laws further provide for the people to be affected by such land take-over to negotiate with the government and agree over a fair compensation. Ideally, the laws are very clear on the process to be followed and to ensure that there are

minimum misunderstandings between the project-affected people and the party, whether private or public, that will come to develop the land in question.

Experience, however, has shown that more often than not the process has not been followed nor the procedures being adhered to, much to the dissatisfaction of the affected people and sometimes leading to conflicts. In most of the major mining projects that have been effected so far, there have been complaints from the people whose livelihoods depended on the land that was taken by the projects. There have been even conflicts between the projects' developers and the local communities affected by the projects as the government is caught in between these tensions. Often the main complaints have been on what the involuntarily displaced people consider to be lowly or unfair compensation by the government or the new investors, and the claim that upon removal from their original lands they have had their livelihoods curtailed and have ended up being impoverished.

4.3.4 World Bank Operational Guidelines on Involuntary Resettlement

The World Bank, which has supported many large projects in different parts of the world that have involved involuntary resettlement, acknowledges this concern and had formulated operational guidelines to be used in the projects it supports financially or otherwise. The guidelines, *World Bank Operational Guidelines on Involuntary Resettlement* were reviewed in 2004. In its introduction to the guidelines, the Bank states, 'Bank experience indicates that involuntary resettlement under development projects, if unmitigated, often gives rise to severe economic, social, and environmental risks: production systems are dismantled; people face impoverishment when their productive assets or income sources are lost; people are relocated to environments where their productive skills may be less applicable and the competition for resources greater; community institutions and social networks are weakened; kin groups are dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost' (World Bank, 2004).

These guidelines (or their predecessor) were not used in the case of the Bulyanhulu mine project although the Bank came to be involved in the project. This topic is further discussed in Chapter Six.

Having looked at the institutional and legal framework for mining, I will then examine the magnitude of displacement as a result of mining in Tanzania in the next section.

4.4 Mining and Displacement

Over 90 per cent of the gold produced in Tanzania before 1998, had come from the areas in the vicinity of Lake Victoria (MEM, 2005). The major mining projects of gold, nickel and diamond taking place currently are also around the lake basin, and Bulyanhulu, the case study area is also located in this area. All of the major mining projects that have been established between 1996 and 2005, have involved involuntary eviction of people from those areas where mining was to take place. For instance, in the case of Bulyanhulu it is estimated that up to 400,000 people were displaced in 1996. My interview with a key informant whose organisation is dealing with environmental and human rights, revealed that in Geita and Nzega about 30,000 were displaced during 1998-99 evictions in order to allow for the establishment of Geita Gold Mine Project and Lusu Golden Pride Project respectively. In 2001, at Tarime, at least 10,000 people were rendered homeless in the case of Afrika Mashariki Gold Mine, while at Mwabomba, Bukombe, 50,000 people were displaced to pave way for gold exploration also in 2001. In Geita, there is another planned expansion which may force 30,000 people to resettle elsewhere.

The majority of those displaced and who have not been able to regain meaningful livelihoods are bitter and view the discovery of gold and the coming of large-scale investors as a curse rather than a blessing. This bitterness and anger has been reflected through conflicts that have emerged between the local communities and the large-scale mining companies.



Figure 4. 3 Bismark Rocks in Lake Victoria. Most of the mining takes place in the Lake Victoria Basin.

Source: Wanzala, P.N. Fieldwork, 2006

Is it likely that there could be other displacements, and possibly conflicts as a result, in relation to mining activities in Tanzania? To answer that question let us consider this fact.

There is one mining royalty company (Tanzania Royalty Exploration), which as of August 2006, held 121 mineral licenses in Tanzania covering more than 10,762 square kilometres. All of these holdings are located in and around the world-class Lake Victoria Greenstone Belt and Kabanga/Kibara Nickel Belt regions in Tanzania.¹⁰ That land owned by this company is larger than the whole of Geita district (7,825 square kilometres) or Kahama district (8,477 square kilometres). That area held by this firm alone is more than 62 per cent of the total area of the two districts combined. That area is about a quarter of land dedicated to national parks in Tanzania (42, 000 sq.kms)¹¹. Therefore, if it is decided that it will be profitable to establish mine projects in those areas held under the licences, and that it will be necessary for the people living in those areas to leave, where will all those people go to? How are they going to earn their livelihoods?

¹⁰ Information at <http://amex.com/?ref=/equities/listCmp/EqLCCmpDesc.jsp>? Accessed April 16, 2007

¹¹ According to the Tanzania National Parks Authority (TANAPA).

My guess is, unless some steps are taken by the government to plan how to deal with this development challenge, then it is likely that there would be conflicts. Indeed, in 1999, when the parliamentarians were discussing the Land Act and Village Land Act (both of 1999), a law professor, Issa Shivji, cautioned the legislators: ‘Any large-scale landlessness is likely to create social-strife and instability since the current Tanzanian economy is unlikely to absorb people thrown out of land.’¹²

4.5 Displacement and Land Conflicts

In most of these forced displacements, communities affected have generally complained about the process, and most often conflicts between the new investors and the local communities have been a result. Some of the conflicts have been violent and resulted in human deaths. Some of the incidences have been reported by the media. The following is a selection of media headlines reporting about the conflicts or resistance by the local mining communities.

“*Mining activities: What is wrong?*”, *The Guardian*, Thursday, July 19, 2001 (editorial).

“*Tarime villagers invade gold mine*”, *The Guardian*, Friday, July 27, 2001;

“*Kahama gold miners resist removal*”, *Nipashe*, Wednesday, August 1, 2001;

“*Small miners say ‘no’ to government order*”, *The Guardian*, Wednesday, August 1, 2001.

“*Sword of Damocles hangs over Mwabomba small miners*”, *The Guardian*, Saturday, October 27, 2001.

I asked the police to provide the statistics on the incidences of land-related conflicts in the country over a 10-year period from 1996 through 2006. The statistics (*see Appendix 3*) were not readily available and it took them about 10 months to get some figures from few districts. The list is not comprehensive enough. For instance, conspicuous by their absence are the records about the incidences at Bulyanhulu in Kahama district. According to the police report, 35 people lost their lives in incidences related to land conflicts recorded in 9 districts during the period. Out of these 35 deaths, six were reported as being resulting from conflicts between small-scale miners and large-scale miners over mining rights. Other conflicts involved pastoralists and farmers, commercial farmers and

¹² Paper presented to the Parliamentary Committee for Finance and Economic Affairs Workshop on the Bills for the Land Act and the Village Land Act, Dodoma, 26th – 28th January, 1999

villagers, or villagers from adjacent districts or areas fighting over borders. However, it can be seen that in Simanjiro district there have been persistent conflicts between small-scale tanzanite miners and the foreign investor, whereby between 1998 and 2006, at least 151 incidences were reported, resulting in two deaths, several injuries and loss of property.

In most of the conflicts between communities and the large-scale mining companies, the bone of contention has been appropriate compensation. Affected communities have always insisted that they would leave the areas provided they were duly compensated. Some times the government had to intervene to order the mining companies to effect compensation (see for example, “*Geita Gold Mine ordered to effect compensation*” (*Tanzania Daima*, 15 Jan 2007), and Appendix 4 for a similar government intervention).

However, some of the aggrieved villagers have taken the matter to the courts of law as this newspaper article shows:

“Some 36 Mwadui Luhumbo residents in Kishapu District in Shinyanga Region have filed a dispute with the Ministry of Energy and Minerals against Williamson Diamonds Limited (WDL) and New Alamasi (1963) limited (NAL), disputing the procedure used to grant the two respondents mining rights over the land they have lived on for over 40 years...” (This Day, April 13, 2007).

In general, the handling of these conflicts by the government has not been impressive and this has exacerbated the complaints. The common view is that government officials have tended to side with the investors. The media report below illustrate this point:

“The government has allowed TanzaniteOne Ltd, a commercial mining firm in Mererani, to use reasonable force; including the use of air guns and live bullets against underground intruders who trespass the company’s mining area...” (*Guardian*, December 30, 2006).

This order, allegedly issued by the Regional Police Commander, was immediately challenged by human rights activists.

Another report referred to incidences in which the security guards of a mining company were alleged to have killed a villager. The circumstances of the incident remain unclear:

“Police in Tarime District, Mara Region, have been accused of protecting security personnel at a gold mining company in the neighbourhood. The accusations against the police were made by Nyangoto villagers following the death of Claver Yohana, 27, a taxi driver. According to the villagers, the death was the third in a month, but the culprits involved in security skirmishes are left to escape scot-free. On Saturday afternoon, hundreds of villagers marched to the gold firm’s premises protesting the shooting incident which allegedly killed Yohana...” (Guardian, June 5, 2006).

Acknowledging the presence of conflicts that appear to be on the increase, Vice-President, Dr Ali Mohamed Shein, on March 8, 2007, at a conference on peace in Dar es Salaam, observed, ‘Conflicts between pastoralists and peasants... between mining companies and artisanal miners or between city authorities and street hawkers or petty traders are areas of concern.’¹³

4.6 Political Ecology and Mining

This study focuses on involuntary displacement and resettlement of people who earned their livelihood at Bulyanhulu at an area that now belongs to Bulyanhulu Gold Mine. Some of those displaced were artisanal or small-scale miners, who had discovered the gold and worked the reef. These were forcibly evicted to allow large-scale mining. This eviction of one group of people from a land-based resource can be looked at from the power relations perspective through political ecology.

Historically, gold symbolizes power, might and purity. Traditionally, in most societies, gold belonged to the king or chief, or simply the ruling class. The history of mining in Tanzania matches this trend. During the pre-colonial period in Tanzania (then Tanganyika), ‘...unlike the other minerals which were primarily exploited by Africans, gold was exploited on some scale by Arab traders...With the establishment of German colonial rule...the recovery of gold and garnet in scattered operations were the principal

¹³ As reported in the Daily News of March 9, 2007.

mining activities in the early years of colonization undertaken by German diggers' (Chachage, 1993, p. 90). Therefore, gold mining and ownership symbolized the social classes and power relations within the society.

If we look at the small-scale miners and the government of the day, we can also analyze power relations with respect to control over resources. For instance, the laws of the country stipulate that all land belongs to the state (government). Therefore, one party, the government dictates how or when the other party, the miners, could use the land resources (in this case gold). The government determines how to allocate the resources. It also decides on whom to give and how much. That is a simple definition of politics.

Ideally, any citizen has the right to use of the land and other resources, including for mining, providing rules and regulations are followed. Such rules include acquiring permits and licences and paying fees. As I show in Chapter Five, the mining community at Bulyanhulu had those rights, of which were taken from them by the state.

Box 4. 1 Burning Issues' in the mineral sector in Geita, January 2006

1. People/firms with Prospecting Licences hoarding land without working on it and therefore creating shortage of land (may create artificial labour oversupply)
2. Issue of compensation for Katoma residents by Geita Gold Mine
3. Conflict between small-scale miners and Geita Gold Mine over Nyamlilima (Ridge 8)
4. Conflict between Mgusu villagers and Shanta Exploration/Chipaka Gold Mine
5. Small contribution by Geita Gold Mine to the community around

Source: Report presented to Deputy Minister for Energy and Minerals on 20th January 2006, when he toured Geita Mining Office.

Gold mining is a global industry and it involves various players in the production and consumption chain including International Financial Institutions (IFIs) and Multinational Companies (MNCs). In terms of economic power, which cannot be easily dissociated from political power, some of these financial institutions and private companies have more power (political and economic) than most governments in the developing countries.

In the previous section it was shown how the World Bank influenced the formulation of policies and laws relating to investment, mining and the environment in Tanzania. The Bulyanhulu Mine Project was also supported by the World Bank through its Multilateral Investment Guarantee Agency (MIGA). Therefore, it is fair to analyse the displacement of thousands of villagers in a remote place in Tanzania from the political economy point of view in a globalising world.

As mentioned earlier, until in the early 1990s Tanzania adhered to the centrally planned economy under *Ujamaa*, also called African socialism. Since the adoption of the liberal policies under the encouragement of the Bretton Woods institutions, the World Bank and the International Monetary Fund (IMF), the government appears to side more with the private sector. My personal view is that the majority of the Tanzanians are still not accustomed to the free market economy; rather they are used to communal or state ownership of resources. I argue that some of the current conflicts over resources reflect this view. I discuss this issue further in Chapter Seven.

The fact that some communities who were displaced are still fighting for their rights through courts of law, and that even others have occasionally deliberately trespassed into the mine areas, symbolize some resistance against the new users of the land. And political ecology is also about struggles and daily resistance of the people over land resources.

As for the sides involved in the struggle, Blaikie and Brookfield (1987) say, 'The state commonly tends to lend its power to dominant groups and classes, and thus may reinforce the tendency for accumulation by these dominant groups and marginalisation of

the losers, through such actions as taxation, food policy, land tenure policy and the allocation of resources' (p. 17).

In conclusion, this chapter was aimed at providing a broad picture and context to which the study is placed. The chapter presented the overview of the mineral sector in Tanzania and examined the institutional and legal framework for mining prevailing in the country. Despite having laws that appear would protect the minorities, those minorities are not protected in practice. As a result, the mining environment is pro-large investors. The discussion sought to emphasize the fact that political ecology can be used to analyse the displacement of communities in Bulyanhulu that gave way to undertaking a large-scale mining development project.

CHAPTER FIVE

LIVELIHOODS OF DISPLACEDS AT BULYANHULU

5.1 Introduction

After looking at the landscape of mining in Tanzania in terms of the legal framework and major players, I now turn to the mining community which is the focus of the study. By mining community, I refer to the people who lived at Bulyanhulu and whose livelihoods were connected in one way or another with mining activity in the area. In this chapter, therefore, I describe the study area in some detail and provide the background to the eviction process, and then focus on the livelihoods of the people who were displaced.

5.2 General Description of Bulyanhulu Area

Bulyanhulu, which is located in Bugarama Ward¹⁴, Msalala Division and election constituency, Kahama District, Shinyanga Region, basically refers collectively to 7 villages, namely Bugarama, Busindi, Busulwangili, Buyanje, Ilogi, Igwamanoni and Kakola. Prior to the eviction of 1996, Kakola was the main economic and social centre of Bulyanhulu and still remained so in 2006. According to the latest population census (2002), and the figures which were also available at the Bugarama ward office, the population in the ward in 2002 was estimated to be 30,017. The number of households in the ward was 6,221, and Kakola alone had almost half of the population (14,044) and more than half the number of households in the whole ward (3,510 households). The ward office, however, did not have an updated population estimate for the area. According to the estimates of one NGO working in the area (called Development and Life Relief Association or DELIRA for short), however, the population at Kakola alone in 2003 was about 23,000 people. It should also be added that the population in the area is very mobile with some people coming to the area to seek for employment or trading opportunities and leaving as depending on the success of their mission. There is also a high staff turn-over at the mining company and its contractors or suppliers working in the area. Nonetheless, the ward executives and other people interviewed were of the view

¹⁴ A ward is an administrative area, normally comprising between three and seven villages depending on population and population density, economic activities and availability of public and social services. Again, three or more wards would make a division, and that system continues upwards to the district and region level.

that, despite the seasonal variations, in general the area population in 1996 was higher than it was in 2006.

I can describe the area as being a mix of both urban and rural, but more urban than rural despite being in a rural area. There is a constant movement of people from different places, close and far, into and out of the area. Like most rural areas in Tanzania, the area is dusty, among other reasons, because of a lot of vehicular traffic movement on unpaved roads. According to my survey, there are probably hundreds of bicycles which are hired as *taxis* on a daily basis. Hundreds of youths (male) provide this important transport service in the area cycling for hundreds of kilometres a day. A few people own old, worn-out, rickety pick-up vehicles which are used especially to ferry traders and their merchandise to and from weekly open markets, *gulilo*. Donkeys are also used, either with carts or without carts, especially when businesspersons have heavy loads and pass through village paths over long distances. Small-scale miners prefer donkeys when they want to carry “valuable” sand; that is, sand suspected to have some gold residues, for further processing or selling.

In general, most people are engaged in the service industry as traders and sellers of goods and services ranging from groceries, drug stores and vending water, to small workshops and garages and restaurants and guest houses. During the time of the fieldwork, I was told there were 23 drug stores and 4 private dispensaries. There was also one government dispensary operating.

Agriculture is less important here as people, particularly young men, know that they can make quick and perhaps more money by engaging in small-scale mining or trading rather than tilling the land. Even when they practice agriculture, it is only to realise capital which they can use to invest in small mining or some other business. The main cash crop is cotton. Paddy is also grown to some extent to raise money. Like most rural areas in the lake zone, most households at Bulyanhulu have livestock of one form or another. According to Kahama District Profile (undated), approximately 40 per cent of all

households in the district own cattle, while goats, sheep and poultry are also commonly kept.

Bulyanhulu is situated between Kahama and Geita districts' headquarters, and normally the public transport between the two districts uses the main road that passes through the villages in Bulyanhulu. The road, however, is dusty as it is not paved, and the journey between the two districts can be very challenging. Buses from Kakola centre, for instance, take between four and six hours, depending on their condition, to reach either district headquarters. Nonetheless, the road is occasionally maintained by both Kahama Mining Corporation and Geita Gold Mine, who together with their contractors, actually use the road the most to transport their heavy machinery and industrial plants and other various supplies in general. It is therefore common to see heavy duty vehicles plying, and also either stuck or broken down, somewhere in Bulyanhulu villages.



Fig. 5. 1 Most houses at Kakola centre have their roofs kept in place by stones

Source: Wanzala, P.N. Fieldwork 2006



Fig. 5. 2 KMCL staff quarters at Ilogi.

Source: Wanzala, P.N. Fieldwork, 2006.

How was the general livelihood of people at Bulyanhulu in 2006 compared to the time before they were evicted in August 1996? As introduction, I provide a brief background to the eviction process in 1996.

5.3 Background to the Eviction

Gold at Bulyanhulu area was discovered by small-scale miners during 1975-76 as a gold rush and people started flocking the area from 1976. Within a year of the discovery of Bulyanhulu 50,000 people were reported to be working the reef or providing support services to miners (Chachage, 1993). The state mining company (STAMICO) working in partnership with a Finnish company also moved into the area from 1978 for exploration work and restricted small-miners access. While the joint venture collapsed and exploratory work was sooner or later abandoned, the small artisanal miners continued working upon the area, in a largely unregulated environment and by 1993 there were 300,000 people operating at gold sites. The area in question had in 1992 been declared by the minister responsible for minerals to be an area for small-scale miners and plans had been made in 1994 to turn the area into a small township. Kakola, for instance, which is

the main centre for Bulyanhulu, was also formally registered as a village in 1993 (3rd September) and was given the certificate of registration No. SHY/KIJ/715.

The conflict started simmering in 1995 when large-scale miners showed interest in the area and as it was reported that the area upon which the small-scale miners operated was sold to an international “junior” mining company, Sutton Resources of Canada, to conduct exploration. Alarmed by these rumours, the miners travelled to the political capital (Dodoma) and met the deputy minister for minerals in 1995 (30th April) who assured them that the miners would not be evicted. As it turned out, the promises were given for political reasons that being an election year, as the miners had vowed to vote for the opposition parties should they be removed from the area by force. The small-scale miners were forcefully evicted from the area in August 1996 by the police and paramilitary forces against legal procedures and while the issue regarding their legality of working the area was still in High Court. This involuntary displacement affected thousands of people at Bulyanhulu who earned their livelihoods from activities that centred on gold mining. There are claims that at least 50 people were buried alive during the eviction and demolition process. Despite lingering questions, the government has never officially addressed these allegations. Some observers suggest that the government has even attempted to intimidate those who raised the claims, including human rights activists and politicians.

The area is now owned by (or was leased to) a Canadian company, Barrick Gold, trading under the name of Kahama Mining Corporation Limited (KMCL). While the use of force by the state paved the way for KMCL to take over the area, interviews supported by documentary evidence also show that the company was actually licenced to mine at Butobela area, which is in a neighbouring district of Geita, and not at Bulyanhulu, which is in Kahama district (according to Prospecting Licence PL 216/94 issued to KMCL on the 6th September 1994). It is also on record that Sutton Resources and Barrick Gold are associated, the former being a subsidiary of the later.

Given this background and outstanding controversies, this chapter focuses on the livelihoods of the people who were affected by the displacement. It seeks to understand the lives of the people in the aftermath of such a development and is based upon stories told by the affected people, interviews by other key informants and supplementary documentary sources.

5.4 Impoverishment Risks

Research is increasingly showing that contrary to the expectations, development programmes that are supposed to widely improve living standards have also brought, under the wings of progress, the forced displacement of millions and millions of poor and vulnerable people in many of the world's developing countries, inducing impoverishment and hardships (Cernea and McDowell, 2000). According to Pettersson (2002, p.115), 'In addition to the eviction itself, victims of development-induced displacement often have their rights violated afterwards. Many are left landless and destitute.'

As mentioned in Chapter Two, Cernea and McDowell (*Ibid.*) have identified the following risks associated with development-induced displacement: homelessness, landlessness, joblessness, food insecurity, loss of access to common property assets, marginalisation, community disarticulation, and increased morbidity and mortality.

In the following section I look at some of these elements in the livelihoods of the displaced communities and show whether or not the eviction led to impoverishment. Morbidity and mortality data were not accessible and those risk elements are not discussed here.

5.4.1 Homelessness

The definition of who is 'homeless' is not straightforward. Is it simply the question of being without a place in which to live? Is it the lack of a house or absence of shelter in the technical sense? Does it refer to people living on the street? What about people living with friends or relatives because they cannot afford own accommodation? Or is it also about the standard of housing and living conditions, socially and economically? That is why some researchers would rather talk of a 'continuum of homelessness' in order to capture each of the many elements of *homelessness*. For its part, the United Nations

defines a 'homeless' person not only as someone without a domicile who lives on the street or in a shelter, but equally be without access to shelter meeting the basic criteria considered essential for health and human social development (UNCHS, 1996).

A more recent proposal by other scholars (Springer, 2000) advocates for a replacement of 'homeless' with 'houseless'. In my study, I will use this 'new' definition and will cover people who had houses before the eviction but now reside with relatives or friends.

Most of the houses at Kakola, the main centre for Bulyanhulu, can be described as shanties. In explanation of such poor housing condition, respondents gave two reasons; one, that the mining company (KMCL) has banned all development activities in the area, including new construction or renovation of buildings; and two, the owners said they feared that they would forcefully be removed from the area any time. They, therefore, considered themselves being on transit, on the move, and would rather live in "temporary shelters" than risk investing in decent housing. Most houses had roofing sheets fixed in place by mere stones so that the owners could quickly remove the sheets and salvage them should they be required to leave the area on short notice.

According to the respondents, the mining company was collaborating with the district authorities to discourage the people from continuing living there, and one way of doing that was limiting availability of public services to the local community. They gave as an example the fact that the power supply company has refused to supply electricity to the houses of individuals arguing that the area belonged to the mining company. I was given a copy of the letter from the state-owned power supply company (TANESCO) as proof to their argument.



Fig. 5. 3 Newly constructed market complex at Bugarama.

Source: Wanzala, P.N. Fieldwork, 2006

Two other examples were given to show deliberate efforts by the company to force the community members *leave* their *homes* and hence *leave* the *area*. First, the main road coming to Kakola centre was diverted so that it passes away from the centre, and second, the market also constructed away from the centre. The community, however, has “boycotted” the newly constructed market and it was not in use during the time of research. It has remained a *white elephant* in an isolated place.

According to the informants, houses at Kakola centre were not demolished during the eviction process because the area did not have operational mining pits. This was a trading and also residential area. Houses were demolished in other areas around Kakola, where actual mining took place, or people lived as villagers and farmed, such as Bariadi, Namba Mbili and Stamico. According to the village and small miners’ leadership, more than 3,220 houses were demolished in four *vitongojis* (sub-villages). This forced some people from the villages that were razed to move to Kakola (from the periphery to the centre, an

in-migration, some sort of internal displacement) and lived with people they knew from before.

According to the informants, several people who had their houses demolished during the eviction process had to live in tiny all-grass huts because they could not afford to build even the equivalent of the houses they had before. Some of the interviewees said following the eviction and house demolition, they had to be sheltered by their relatives and some still lived in the houses that belonged to those relatives as they were struggling to survive themselves, and also because they were waiting to know the fate of their compensation to be determined by the court.

In general, however, while all of the affected people I talked to had a house they lived in, whether their own or belonging to the relatives, all claimed that their housing conditions were of lower quality compared to the time before the eviction. They primarily described the quality in terms of size of house, and stated that they now lived in smaller houses because they did not have sufficient resources to build the houses they wanted. Those informants were hesitant to invest in housing due to a fear of future eviction. Those who lived with relatives, some were simply not comfortable to live in houses not belonging to them. As one respondent put it, *“Yes, I live in a house, but that is not my home; I am not at home.”* Such living conditions can be summarized by the saying “A house is not a home.”

Through my interviews, I was told that only 58 families, out of thousands of families and households, were compensated. Forty-six families came from an area called Namba Mbili, and 12 were from Bariadi. The monetary compensation ranged from TZS 10,000 (at the exchange rate of TZS 560 to 1 Dollar, this was about USD 18) to TZS 400,000 (about USD 714). There were also 14 families which lived at Namba Tisa area that had their huts demolished by the mining company but were offered new huts, built by the company’s money, of same size and quality (constructed with poles, mud and thatch), at another place. The families, however, refused to move in saying they deserved better houses.

The question of housing discussed above seems to be in line with what Cernea and McDowell (*Ibid.*) wrote:

‘Experience shows that resettlers, even if compensated, may not be able to build again their houses to the same level. They may end up living in “temporary” shelters. This often makes homelessness chronic rather than temporary. At the Foun-Gleita irrigation project in Mauritania, only 200 out of the 881 displaced families successfully reconstructed their housing; the rest lived precariously for two years or longer in tents or under tarpaulins. In the Kukadi-Krishna irrigation subprojects in Maharashtra, India, 50 percent of the displaced families were found living in temporary or semi-permanent houses 10 to 15 years after their relocation’ (pp. 25-26).

Box 5.1 summarizes a story of Mabula Limbe (61), who is one of the affected people.

Box 5. 1 The story of Mabula Limbe

Mabula Limbe was 61 years old in 2006. He had lived at Bulyanhulu since 1981. He and 57 others represented their colleagues to challenge the notice to vacate the area without a fair compensation through the court of law. His house, however, was demolished while he was in Dar es Salaam following up the case in the Tanzanian Court of Appeal.

Ten years after the demolition he has not been able to build another house. He is now sheltered at a relative’s house while struggling to build his own house. In 1996 he had two houses, one which he describes as big and modern, with corrugated iron sheets, and another as small with thatched roof.

His family had 19 members but now has disaggregated because of lack of space as they were forced to move and leave with other relatives. He now lives with 11 of his family members at a relative’s place, and three of his children cannot go to school anymore for lack of the necessary resources.

Before the eviction, Limbe had 60 acres of land, on 15 of which he grew cassava. He also had 46 cows, 52 goats and 3 dogs. Two years after the eviction in 1998 he was given TZS 239,505 (about USD 428 at the current rate). In order to get by, he has been selling his livestock, one after another and now has none left. He tries to get some money through selling firewood and metal scraps. The scraps are not easy to find and sometimes the firewood is not sold in which case he returns home empty-handed and sleeps on an empty stomach. Sometimes friends lend him some little money. He has been living with chronic tuberculosis for 10 years and has been able to survive through use of local herbs.

He occasionally meets some of his old neighbours and most of them barely survive in the same way as he does. Since the eviction, however, the network is broken down.

After a long day of moving around the villages observing and meeting some of the victims, I offered Limbe and those who were accompanying us some lunch in a restaurant. He ordered ugali (the staple food in the area and in Tanzania in general) with beef. He ate enthusiastically and, perhaps, a bit too fast. We also ordered our meals. Everybody also had a drink. When we were finished, Limbe thanked me at length, and almost with tears in his eyes. Among other things, he said:

“My son, today you have made me eat beef. I had forgotten this. I have never eaten like this in a long time. You have bought me soda water (he drank two bottles). I used to eat meat whenever I wanted. I could just slaughter a goat whenever I wanted. Now I can’t do that...I am used to just passing the day without a meal...God will bless you my son...”

5.4.2 Landlessness

In this section, I cover the issue of landlessness among the evictees. Landlessness here is used to refer to a situation in which a person or the whole community do not have the quantity of land of the quality that they would otherwise need for their normal economic and social development.

The area that was taken over by the mining company during the 1996 eviction was that where there were mining pits operated by the small-scale miners. When it was put under the control of the company, the area was fenced off. The company claimed that it was only doing some exploration work. Some people continued to access the area that was not fenced off for their different livelihood endeavours. During 1997/98 local authorities in collaboration with the mining company renewed the process, which had actually been initiated in 1994, of developing a land use plan that would make Bulyanhulu a small township. However, the company sought to expand its perimeter during that interval. Through the use of the government structures, people were notified to leave the areas still accessible after the eviction of 1996. Those with crops in the fields were given time to harvest them. As a result, more people, were virtually declared as 'invaders' and lost their land to the company.

The people I interviewed on the question of access and ownership to land claimed that they were negatively affected by the eviction process. This is not surprising especially considering that there was no compensation in form of land. Those who had mining pits before the eviction now had none. The few farmers who were compensated received little money, and certainly an amount insufficient for acquisition of an equivalent piece of land. Experience from other countries seems to match this observation. Cernea and McDowell (*Ibid.*) say 'A sociological study of Kenya's Kiambere Hydropower project found that farmers' average land holdings after resettlement dropped from 13 to 6 hectares; their livestock was reduced by more than one-third, yields per hectare decreased by 68 percent for maize and 75 percent for beans...' (p. 23).

According to Bugarama village chairperson, three-quarter of the village land was taken over by the new investor, and this alone reduced agriculture land by half. The Bugarama Ward Executive Officer also told me that land under cultivation has decreased considerably and the area in general has become a net importer of food supplies.

Maize is the staple food in the area and a 20-litre tin of maize normally sells at between TZS 5,000 and 6,000 (USD 9-11) and this is considered to be expensive to the majority of people. Other common food types include rice, cassava, potatoes, millet, beans, groundnuts and simsim.

All the interviewees stated that they were now less assured of their food supplies because fewer people engaged in farming anymore as land had become scarcer. Farmers also cited insecurity about land access as a reason for decreased food production.

During the interviews with the project affected people, it was apparent that those who were mostly doing farming before the eviction were more concerned about access to land and were quick to point to land scarcity than those who had been involved in mining *per se*.

Another category of people who claimed that there was not sufficient land to engage in agriculture were young people who rode bicycles for hire. Most of them told me they opted to run the bicycle “taxis” as there was no land for them to engage in agriculture. Most of the operators, however, had come from far away from the neighbouring districts to Bulyanhulu which was the centre of economic opportunities. This also implies that land scarcity is a problem that goes beyond Bulyanhulu and its neighbouring areas and districts including Meatu, Maswa and Geita.

What can be discerned from the above is that there is a real problem of land shortage in general at Bulyanhulu as well as in the adjacent areas. The displacement of people to allow for the large-scale mining did not help matters and rather exacerbated landlessness. Most of the areas onto which the current villages sit belong to the mining company.

Kakola centre itself, although it was never demolished, is said to be lying within the mining area.

One of the common pleas from the respondents was that the company should allow them to utilise the land which it was not currently using, and the use of which land would not interfere with the mining processes. The respondents said their request has been turned down by the mining firm.

Box 5.2 below summarises the story of Charles Fuli (48) who was also affected by the eviction process.

Box 5. 2 The story of Charles Fuli

Charles Fuli is 48 years old and by 1996 he had lived in the area for 20 years. He came to the area from another district, Sengerema. His family has 14 members and three of his children go to primary school.

He was a farmer and had 30 acres onto which he cultivated maize, rice and cotton. In addition, he had 27 cows, 10 goats, 5 sheep and 70 chickens. Now he does not own any land, and he is forced to rent land of which he pays after selling some of his produce. He now rents only 1 acre on which he gets his food. He is concerned that there is not sufficient land and most people are merely squatting on other people's land.

Before the displacement, he lived at Namba Mbili; now he lives at Lwabagikulu. On the day of the eviction he had to erect a shelter within hours in which he (and his family) spent the night. He was, however, able to build a house one year later, in 1997. The previous house was much bigger and better, he says.

During the eviction, he was given three months to be able to harvest all his crops from the field. He had much food crops in the field and he had to sell all the food quickly. He did not sell his cattle then. Because of bad weather this year (in 2006), he was forced to sell eight of his goats in order to get money for food.

Because of the displacement that took place he lost most of his friends and contacts, but has now made new friends.

He says the valuation and compensation process was not fair because there was no consultation. He also says the crops were not considered as worth; only houses were valued. He says some people were paid as lowly as TZS 6,000 (USD 11) which they refused to accept.

5.4.3 Joblessness

In this study, I describe joblessness to mean not having a job, being out of work, idle, unemployed, or not engaged in a gainful occupation.

Before the events of 1996, small-scale mining employed, directly, thousands of people in the area. Data gathered from the leadership of the miners association said, for instance, over 1,809 individuals owned mining pits. It should also be noted that some of these owners had more than one pit at a time. On average, each owner had three pits. Production on each pit involved four to six workers at a time, in one labour shift. It can be estimated, therefore, in one shift it was possible to find a total of 32,400 small-scale miners working the pits. In a 24-hour busy day, almost 100,000 miners would have worked. It is clear that the eviction and closure of mining activities by small-scale miners have resulted in increased joblessness in the area.

Following the eviction some of the miners moved to other areas continuing their search for gold. Some of the areas where these miners went include Busulwangili and Nyangalata in Kahama district, and Nyakabwe, Nyamalapa and Nyang'omango in Geita district. However, this number is small because most of the potential areas are now owned by large-scale mining and exploration companies. Furthermore, small-scale mining operations have become almost illegal in the area around Bulyanhulu and often these miners are threatened with arrests on claims that they were encroaching on Kahama Mining Corporation's property. Harassment by the firm's security guards has also removed the potential for jobs in the neighbouring areas.

Kahama Mining Corporation has employed about 1,700 people. The company is free to employ anyone from anywhere, including from overseas, provided they meet qualifications. According to the Chairperson of the Small-Scale Miners, between 40 and 50 of the miners who were displaced secured employment with the mining company. The company out sources most of its services from primarily non-local suppliers and contractors most of whom are not local. This diminishes further any possibilities of employment among the local population.

According to the informants, there were fewer people now who were engaged in different economic activities compared to the period up to 1996. Various business outlets had been

closed down, they told me. The remaining business outlets were mainly in the service industry including retail shops, tailoring, restaurants (food stalls), food and charcoal or firewood vending. Bicycles still remain the main source of transport in the area and scores of young men provide this service on hire. The minimum fare per trip is TZS 200 (USD 40 cents). The income of a taxi cyclist in a day ranges from TZS 2,000 to 4,000, according to my survey among the cyclists. One of the cyclists, a young man in his early 20s, who identified himself as Musa, told me that amount was sufficient for his family upkeep. Another cyclist whom I once hired claimed that during the era of small-scale miners there were more passengers and earning were six or more times higher compared to the time of my research. His view was shared by many other cyclists I happened to probe in my unstructured interviews whenever they rode me around.

All of the people I interviewed, however, said that in general the overall volume of trade has gone down compared to before the eviction. Bugarama Ward Executive Officer confirmed that the money collected as levies from the various businesses had decreased since the eviction as there were fewer businesses operating. Youths were a group that was affected the most by unemployment as a result of the closure of small-scale mining activities.

To summarize, most of the people who were evicted and the general population at Bulyanhulu are literally jobless. There are limited employment opportunities from the new large mining investment. Some young men occasionally get temporary employment when there is a construction project in the mine, but this does not happen as frequently as they would wish. My respondents told me that for lack of customers and capital, most small businesses have also closed down. For those interested in agriculture, farming land has also become even scarcer. A combination of all these factors have generally made most people, young and old, become an idle lot.

The situation at Bulyanhulu following the establishment of large-scale mining resembles what Cernea and McDowell (*Ibid.*) described as being a result of a development project in Madagascar.

‘In the Madagascar Tana Plain project in 1993, for example, those displaced who operated private small enterprises-workshops, food stalls, artisan units-were not entitled to compensation and lost their place of business and their customers...

‘Joblessness among resettlers often surfaces after a time delay, rather than immediately, because in the short run resettlers may receive employment in project-related jobs. Such employment, however, is short-lived and not sustainable. Evidence compiled from several dam projects shows that the “employment boom” created by new construction temporarily absorbs some resettlers, but severely drops toward the end of the project. This compounds the incidence of chronic or temporary joblessness among the displaced (p. 24-25).

5.4.4 Loss of Access to Common Property

In the context of this study, common property refers to natural or land-based resources owned and used communally. Such include water sources and graze land.

According to respondents, at least the people at Kakola lost two main common properties, namely fresh water well and grazing land. The deep well, previously supplied water for about 30,000 people. The population is now dependent upon shallow wells whose supply is not reliable. These wells typically result in long waits for water. On the other hand, the company has developed another water source by tapping water from Lake Victoria. However, this piped water is sold to the villagers at TZS 25 (USD 4 cents) per 20-litre volume. Respondents claimed that many people cannot afford the cost and they question the rationale of them buying water from a “rich investor”. The company has allowed one village which is closest to the water intake to use the water free of charge and task the village with protecting the pipeline from sabotage by the villagers that do not benefit.

The issue of losing good quality water sources also came up during Focus Group Discussions where participants were very bitter with the mining company, which they claimed went against its promise of improving social services including safe water. They were also worried that continued fencing off of land would deprive their livestock of pasture land.

Some interviewees mentioned other lost common properties including the cattle dip and graveyards for both Christians and Muslims. They said now the whole ward does not have a dip for the livestock, nor the areas for graveyards, areas which were taken over by the mining company.

5.5 Survival and Coping Strategies

After the eviction in 1996, some members of the mining community left to different places to continue their livelihoods and others stayed. By mining community I refer to the different people who *were* in the area *doing* different things as part of their livelihoods. In general, however, it is clear that the number of those that left was higher than which remained in the area. For instance, while it is estimated that there were over 400,000 people during the eviction in 1996, by 2006 when I visited the area, the figure of the population given was between 14,000 and 23,000 people. All the people I interviewed, including some local leaders, confirmed that the population in the area was much less than it was before. A controversial Environmental Impact Assessment (EIA) which was commissioned by Kahama Mining Corporation after the closure and eviction of small-scale miners produced an Environmental Impact Statement (EIS) which stated that the population at Kakola in April 1997 was only 986 people (KMCL, 1997). I will later (Chapter Seven) discuss this issue of EIA in detail.

In the next section, I focus on those people who were affected by the eviction but remained in the area, either as a matter of *necessity* or by *choice*, and try to understand how they are *surviving* and how they have been able to *cope* with the eviction ever since. I look at these people on the basis of a broad category what they were *doing* for their living.

5.5.1 Small-scale miners

Digging in Open pits

Since the closure of the mining pits in 1996, some of the small-scale miners shifted their ventures to other nearby places searching for gold in open pits, while maintaining links

with the former mining area and networks. The main area where most of these miners are now eking out their living from is Nyangalata. Mining activity, however, is at a relatively even smaller-scale because of fear of the mining company which claims to own the area used by the small-scale miners. The miners normally go to these mining sites, spend few days working there and come back to their villages. Sometimes they are chased away by the mining firm's guards.

Scavenging

Other small-scale miners have resorted to scavenge on tailings (waste left after gold ore has been extracted from rock), which have been processed by the KMCL and thrown away. When they get this sand or boulders they perform re-processing and if lucky, they may get some small gold nuggets, though of inferior quality, which they then sell to 'middlemen'. Middlemen are gold businesspeople with some connections to other gold traders and goldsmiths outside the village and have relatively large capital.

Accessing these deposits is not without its problems, however. While in the past people could freely collect the left-over, the company has since decided against this policy and now it is 'illegal' for the locals to go near the piles of tailings which are within a live electric enclosure.

River panning

A number of small-scale miners who were evicted from the pits have now decided to continue their mining by panning from the river beds and some wetlands. These miners are especially concentrated on the downward side of the company's mining pile-ups and from their experience, the run-off from those piles do contain some gold particles (or dust) which flow into the rivers and streams around. I was told the number of this type of miners increases considerably during the rain season. Because of the physical demands of the process normally people work in teams of four.

Box 5.3 tells a story of three young men who work as a team.

Box 5. 3 Story of a Mboka team

To be able to complete gold recovery process, water is used to wash the sand away. Sieving is done using a structure called *mboka*. Anybody with their tailings can rent the *mboka* to sieve and recover gold particles. There are also sand/rock crushers which have to be used to grind the tailings before they can be washed and sieved through the *mboka*. The minimum unit for a crusher is five pans (*karai*) the volume of each being about 5 litres.

Tabu Busu (41) came from Bariadi district to Bulyanhulu in 1985 and started working in mining pits until in 1996 when the miners were evicted. In 1998, he established an open pit along a small stream so that he could use the running water to wash and sieve his ores. Since 2000, he has been working with two other colleagues, Pamba Samba (40) and Mapinduzi Sumuni (25). The latter arrived in Bulyanhulu in 1996 coming from a nearby district of Meatu.

Unlike in the past, this *mboka* team is now finding the going tough as the ores they dig, crush and sieve do not have any gold in them. Previously, a three-day work could have earned them at least TZS 20,000 (USD 35), but these days they would be lucky if they could get TZS 2,000 (less than USD 4). Samba says before the eviction he used to earn at least TZS 10,000 (USD 17) per day.

“Formerly, we would just dig the top soil and take it for crushing; but now even the water flowing in this stream does not have any gold. In dry season it is even more challenging,” Busu says.

Busu has two wives and 6 children, three of whom attend primary school. Samba is married (one wife) with three children and all go to school, while Sumuni has a family with two children (still infants).

On leaving or taking other options, I could summarize and paraphrase what they say:

“We can’t leave now because we don’t have enough money for fare and to take home with us and establish ourselves anew there. Some of our colleagues who left had some money.

“We are more connected with the people here now.

“We don’t have any land for farming and are just used to searching for gold.”

So, this Mboka team has opted to stay and continue their search for gold despite being occasionally harassed by the mining company and the gold yield decreasing. They are surviving on a hope that one day things will be alright.



Fig. 5. 4 Crusher at crushing site. The material is brought to site by donkeys.

Source: Wanzala, P.N. Fieldwork, 2006.



Fig. 5. 5 Small-scale miners at work. Photo shows river panning at its best.

Source: Wanzala, P.N. Fieldwork, 2006

5.5.2 Farmers

Whereas miners lost their employment opportunities, farmers lost the land and the opportunity to work on the land as well. Most of the farmers who were directly affected by the displacement reported not to have their own land anymore. At most, they rent few acres (less land than they had before) from other people to continue their farming activity. The rent was TZS 10,000 (USD 17) per acre per growing season. Another way of paying for rent is through farm produce where a certain amount of the produce is taken by the land owner. Therefore, one way of coping for these farmers is to continue farming but on less acreage of land (*downsizing*).

Selling some of the property is a *coping strategy* that was used by some of the farmers. A farmer, Charles Fuli, for example, was in 2006 forced to sell 8 goats in order to get some money to buy food. Majaliwa Biye, who was both a farmer and a pit owner, had to sell some of the domestic items and appliances, one item after another, in order to raise some money for daily use. Following the mining closure, Biye had to cope living off farming alone. Furthermore, since the mining company has restricted growing of long-term crops, such as cotton or cassava, Biye and some of his colleagues have resorted to growing short-term crops, in particular potatoes. This can be described as a *diversification* within agriculture.

Mabula Limbe (61), who used to be a farmer, said he did not have any land after the eviction and was too old and sickly to engage in agriculture anymore. He, therefore, opted to involve himself in collecting and selling metal scraps and firewood as a means to get some income.

At least one respondent, however, Minza Mwanakabadi (66), a widow, was mainly depending on assistance from other members of the community. She was given a piece of land on which to grow potatoes. She said she was too old to pursue other options, such as digging for gold along the rivers. She also said she never receives any assistance from her only daughter who is married and lives in the regional headquarters, in Shinyanga town. Before the eviction, Mwanakabadi and her husband did not own livestock and had only 3

acres of farm land. This shows that a small portion of the population can cope and survive on direct or indirect *assistance*.

5.5.3 Business persons/Pit owners

Before the eviction of 1996, some members of the community were simply businesspeople. Some of them owned pits, while others ran other business operations including guest houses, restaurants and general merchandise shops. In the aftermath of the eviction, some of these businesses closed down, for various reasons, according to my informants. For instance, some entrepreneurs left the area altogether, while some ran bankrupt. I was told, during my interviews, of people who had wanted to commit suicide because they had borrowed money from banks or individuals and were worried that after the eviction they would not be able to repay the loans, and that they would remain poor forever.

Meanwhile, some pit owners found new pits in nearby areas, and yet others resorted to farming. Some told me they had to change their lifestyle (*adjustment*); for instance, instead of living only with own family in the house, they rented out part of the house to other people in order to raise some money and supplement family income. That means, different people responded to the situation differently in a bid to survive and cope with the *shock* depending on the *assets* that they had before the eviction.

Some pit owners, like Heri Saasita (aged mid-40s), who had 3 pits, have become gold dealers, meaning they buy small quantities from individual small-scale miners and resell the gold for a profit. During the time of this study, the dealers bought 1 gm of gold at TZS 15,000 (USD 27). Saasita stated that he had two houses before the demolition and only one was in the area that faced demolition, so now he lives in this other house.

Other businesspersons affected by the eviction and whom I interviewed included Maalim Mmanga Kadau, Emmanuel Bombeda and Faustin Nagagwa Luzama. All were influential members of the community. Kadau is the chairperson of the small-scale miners and has been in the forefront in the on-going case against the company and the government. Bombeda is a member of the village executive council, while Luzama (80)

is the commanding chair of the highly feared and respected traditional vigilante group, *Sungusungu*. The former two have also become dealers after losing their pits during the eviction and demolition process. In addition, Bombeda runs a small shop from his home at Kakola centre, which helps him survive.

Another businessperson of interest is Bahati John Kanyungu who had lived at Bulyanhulu since 1984, having migrated there from Mwanza city. He was a transporter and also ran a shop. He stated that the eviction made him lose business in terms of people who would hire his vehicles and sales volume in his shop have relatively gone down. He attributed this to the decrease in purchasing power of the members of the community in general. For him, the change was to learn to live with less money. Kanungu was the village chairman during my fieldwork.

Having looked at some of the elements of livelihoods of the affected members of the community since their displacement, as well as their survival and coping strategy, in the next section, I discuss further the question of impoverishment as a result of the eviction.

5.6 Discussion

In my fieldwork at Bulyanhulu (Kakola and surrounding villages), I conducted in-depth interviews with 11 people, a focus group discussion with 12 participants, and unstructured interviews with at least 8 people. Respondents in all these interviews included men and women, the young, middle-aged and the old. Of all these, only one person, who happened to be the village chair, thought that while income poverty has increased as a result of the eviction, there was more sanity and social order than before. Otherwise, all other respondents were bitter and categorical that the displacement had impoverished them.

Examination of the elements which relate to livelihoods of a community that have been highlighted above, such as a home, a piece of land, and a job to do, shows that most people ended up with fewer of those elements, in quantity and/or quality. In other words, they were at risk of becoming poor if not poorer. These livelihoods elements have a

relation with income poverty. A person without land (or means to access the same) or a gainful job, is most likely to have less disposable income.

Comparing the income situation in the community before 1996 with that in 2006, Kadau said, *“Nowadays you cannot find one person buying another person soda water; people are really broke,”* and added, *“Look around, people cannot even buy a pack of biscuits, biscuits are sold in pieces because nobody can buy a whole pack.”*

That until 1996 most people had much more income to spend and even had conspicuous consumption was supported by Luzama, who said it was common to find people, especially small-scale miners, spending up to TZS 200,000 (USD 357) per day on a drinking spree. The beer industry (some of the beer was being imported from Kenya) is said to have reported much lower sales in the region following the closure of mining. It should be noted that sales of beer play an important role on nation economy considering that one major beer company alone contributes 10 per cent of government revenue in paid taxes.

The fact that incomes of this mining community decreased as a result of curtailed livelihoods is even supported by the Environmental Impact Statement published by the mining company in 1997 as a result of the Environmental Impact Assessment. The statement acknowledged that small-scale mining at Bulyanhulu once offered rural people an income about 6 times what they could make from farming. Furthermore, it stated, ‘Although it was difficult to estimate the income of the people in the areas covered by this study, it was possible to establish that their income before the closure of small-scale mining was higher than now (July 1997). The average income of the people in the study area was highest in the Shinyanga region (KMCL, 1997, § 5.4.3. 5).

On Section 8.1.3 the report also noted, ‘Artisanal mining activities had the positive effect on local households of providing additional income earning opportunities, increasing disposable income and the number of income generators, and improving services such as transportation and shops... The closure of small-scale mining had a major negative effect

on economic activity, population and social development, which has been felt beyond the immediate mining area' (*Ibid.*).

Similarly, Cernea and McDowell (2000, p.24) note in their study of a displacement in Kenya that family income dropped by 82 per cent.

It is therefore fair to conclude that, as it has happened elsewhere in similar experiences, the incomes of the majority of people in Bulyanhulu area who were directly and indirectly affected by the closure of small-scale mining in the area went down. Other important elements in their livelihoods were also negatively affected. In general, the displacement of this mining community increased the risk of impoverishment of the members of the community in both non-income and income terms.

CHAPTER SIX

STAKEHOLDERS' ROLE AND INFLUENCE ON DISPLACEMENT OUTCOME

6.1 Introduction

There is a Kiswahili phrase which goes that '*The one with the knife is the one who will eat the steak*'. This means it does not matter so much whether, and for how long, one holds a piece of steak; what matters the most is having a sharp knife to chop the steak.

The Kiswahili phrase cited above can relate to other interests. For the people displaced at Bulyanhulu, their steak was the gold, the farms, the land, their livelihood. However, other people, whom I call stakeholders or social actors, or simply actors, were also interested in those same resources.

In this chapter, I seek to explore the role and influence of the different actors or stakeholders on the eviction process from the time before it took place through the current period. I first identify the key actors and who had an interest in the area, and then analyse their roles and influence on the results that have come to bear. By the end of the chapter, it will be clear who held the stake (and *steak*) and who had the *knife*.

6.2 Stakeholder Analysis

At a glance, one notices three major actors in the issue of displacement at Bulyanhulu, namely the *Government*, the *Mining Community* comprising the small-scale miners and the villagers in general; and the *Investor*, that is Kahama Mining Corporation Limited (KMCL). I have, however, identified other actors, by no means less important. I will describe them below and show their roles and influence.

Government is broad entity and can be broken down into smaller units such as the executive branch, parliament and the judiciary. There are even two levels of government: central government, and local government. Central government refers mainly to the cabinet and ministries, while the local government means government level from the region, the district down to the village.

There are two primary investors who were directly or indirectly connected with the events at Bulyanhulu. These are namely Sutton Resources and Barrick Gold. These companies are public licenced companies with shares traded in Canada, United States and United Kingdom, and hence owned by shareholders in different parts of the world. Sutton Resources sold its stocks, worth USD 280m, to Barrick Gold which trades as Kahama Mining Corporation Limited (KMCL) as far as the Bulyanhulu Gold Mine Project is concerned. According to its own estimates at the time of commencement, Barrick anticipated to get USD 3bn over the 15-year period projected to be the life of the mine. Meanwhile, Tanzania expects to earn only USD 75m in taxes and revenues. It is noteworthy to mention the World Bank here since it also got involved in the project by providing some political risk guarantee (through MIGA) worth USD 172m. This amount is said to be the largest insurance offered by MIGA/ World Bank Group to a single commercial project.

The mining community comprised the people who actually owned the pits, miners who were employed to work the pits, villagers who lived in the surrounding area as farmers or herders, and different entrepreneurs whose activities were ancillary to the mining business. These included transporters and vehicle workshops (garages), restaurants and food stalls, water vendors and general stores. As mentioned earlier, during the eviction, this group was estimated to consist of about 400,000 people. In the previous section I showed how small-scale miners, farmers and businesspeople, who were the core part of the mining community at Bulyanhulu, were affected by the displacement.

Beyond this glance, however, one can appreciate the presence and influence of other players, sometimes acting behind the scenes. I have identified such others to include consultants who conducted the assessment and advised whether the large-scale mining project was to be allowed to proceed and what mitigative measures were to be taken. Others are the financiers of the project, politicians, civil society organisations, and the media.

6.3 Stakeholder Role on Process and Outcome

In the section below, I look more critically at each of the main actors and their role on and outcome of displacement.

6.3.1 Government

As a democracy, the government has three administrative arms namely the executive (state), parliament (legislature) and the judiciary (courts of law). The executive branch has the responsibility of *enforcing* various legislations and *maintaining* law and order. The legislations (different laws) are *enacted* by parliament, while the judiciary has the responsibility of *interpreting* those laws.

In Chapter Four, different laws and policies relevant to the study were explained. According to law, all land in the republic is public and hence technically speaking belongs to the president who is the head of government and who can decide on its ultimate access and use. The laws, however, are clear on the process that should be followed by the state before it can offer to, or take from, a person or a group of people, land for whatever use.

As far as Bulyanhulu displacement is concerned, the process was not followed. For instance, there was no clear notification and negotiation process on the relocation as stipulated by law. Instead, the state first declared the small-scale miners who worked in the area as illegal miners and trespassers and therefore ordered them to vacate within a month. The miners went to court to get an injunction to allow them remain in the area until the matter was resolved. They won and the court ordered the state to stop implementing its order until the issue was resolved in the court. However, the state did not obey the court order and moved its organs, including the police force, to forcefully evict the miners and demolish several houses and fill the pits. Following the forced removals, the Inspector General of Police issued a press release denying the allegations of killings but admitting that about 200,000 Bulyanhulu residents had been evicted from the area in the course of about one week.

According to the Committee representing the small-scale miners, out of over 3,220 households in the area that were demolished, only 26 families of livestock keepers seemed to be satisfied with the compensation they received and left the area accordingly. This should not be surprising because most pastoralists in Tanzania in general tend to lead a nomadic life, moving their cattle from one place to another. In relative terms, normally they do not invest so much in housing or farms in the area they live; they are more or less people on the move. For the pastoralist, leaving the area was not as painful as for other members of the community. To them, the most important resource is grazing land. Since it was possible to move their cattle to other areas in search of pastureland, it was alright as long as and considering that they were given some money to use on the way or establish themselves in the new area they would find.

However, there were 58 families of other residents who were either farmers (as opposed to livestock keepers) or businesspeople, including those who owned the mining pits or who worked as small-scale miners, who were compensated, but were not satisfied with the amount of compensation. These are still hanging on at Bulyanhulu and they challenged in the courts of law the amount of compensation arguing that it was neither commensurate nor fair. The minimum compensation offered to a family was about USD 10 while the maximum was USD 400. The case has been going on since 1998.

The role of the executive arm of the government (the state) in this case was, therefore, taking land from the miners and villagers without due process and making most of them landless, homeless, unemployed, and food insecure among others, and hence increasing their risks of impoverishment. In addition, the state, in the name of investment, gave this land to another group of people; large-scale miners.

Some words should be said here on the position of the local government in order to understand its role. On the one hand, the local government seems to be independent of the central government, but on the other it is clearly under the central government. The political leaders of the local government, from the village up to the district council, including members of parliament and the chairperson of the council, are elected by the

people. The district councils, however, can be dissolved by the minister responsible for local governments. At the same time, the head of the district, known as District Commissioner, is appointed by the president. It should also be stated that the issues of minerals and mining rights have been given much importance to the extent that they are administered directly by the ministry responsible for minerals. In short, major decisions are made at the level of the central government. Given the absence of any evidence that individuals or leaders within the local government were actively involved, it is fair to suggest that the local government played an insignificant role in shaping the outcome of the events that happened at Bulyanhulu.

The parliament as a whole did not intervene to castigate this interference of justice by the state. However, occasionally individual members of parliament raised concern over the way small-scale miners were evicted and the fact that most of them were rarely compensated.

For its part, the judiciary is still playing its role of interpreting legislations through the court. The matter is now at the highest court level in the country, the Court of Appeal. According to the evictees, all their hopes on the issue now are pinned on the court.

6.3.2 Large-Scale Investor

Kahama Mining Corporation Limited (KMCL) publicly (or officially) entered the Bulyanhulu scene in early 1999, after its parent company based in Toronto, Canada, Barrick Gold Corporation, bought the mining rights from Sutton Resources, a mining exploration company headquartered in Vancouver, Canada. As KMCL entered, Sutton Resources left the scene. Indeed, KMCL has at times argued that it was not *there* (at the place) during the eviction and displacement because the area then belonged to Sutton Resources and should not be held responsible for what transpired then. As indicated in Chapter Five, KMCL had been licenced to carry out their operations in another neighbouring area, Butobela, since 1994. However, upon acquisition of Bulyanhulu, KMCL stopped its work at Butobela.

Nonetheless, it is worthwhile to note that KMCL's date of entry into the area and its role before, during and after the eviction of small-scale miners is unclear. In its Environmental Impact Statement (EIS) following the Environmental Impact Assessment (EIA) conducted in 1997, KMCL claims that it secured the licence for the area in 1992. The report reads:

“...KMCL obtained an exploration license in 1992 following conclusion of an agreement between Sutton Resources and the Tanzanian Government whereby the Government retained a 15% interest in the project.¹⁵ The stoppage of small-scale mining took place peacefully under the direction of government representatives in August 1996” (KMCL, 1997, § 5.1).

The last sentence in the quotation above, that the closure and eviction was peaceful appears to be an explicit misrepresentation. That the eviction was violent was even reported in the government-owned media. My interviews with various sources including those from the Ministry of Minerals, non-governmental organisations (LEAT and DELIRA), local leaders and the people (miners, farmers, businesspersons) at Bulyanhulu confirmed that the eviction was indeed brutal and lives were lost in the process.

Despite government's earlier denial, after apparent some pressure from various sources, the Minister for Home Affairs, Hon. Mohamed Seif Khatib (as he then was) released a press statement on September 17, 2001 that stated that about 11 people died in the course of the evictions (LEAT, 2003). However, Minister Khatib attributed those deaths to mob justice or natural causes. This late admission by the government that some people did actually die in the course of the evictions should have necessitated an official inquest in the Coroner's Court to determine the manner and the cause of the deaths and whether any criminal acts were involved. The fact that this was never done raises questions as to the assumption or feelings that the government was hiding some facts from its public and indeed that people did die during the eviction.

The need for a thorough investigation in such cases is also enshrined in the United Nations instruments, to which Tanzania is a signatory. According to the United Nations

¹⁵ The *Business Times* of June 25, 1999, reported that, for unspecified reasons, the government had reduced its shares from 15 to 5%. Later the government gave up all its shares

Principles on Effective Prevention and Investigation of Extra-legal, Arbitrary and Summary Executions recommended by the United Nations Economic and Social Council Resolution¹⁶, member states are required to carry out ‘thorough, prompt and impartial investigation of all suspected cases of extra-legal, arbitrary and summary executions including cases were complaints by relatives and all other reliable reports that suggests unnatural deaths in the above circumstances.’

Another example to show the unpleasant role of the company in the episode is the changing of the estimate of the population of the mining community in the area. For instance, when Barrick Gold/KMCL submitted its project proposal to MIGA, the Government of Tanzania and Canada’s Export Development Corporation, the population estimate of the mining community at Bulyanhulu was repeatedly a maximum of 400,000. LEAT (*Ibid.*) quotes these documents as writing “...the discovery of the Bulyanhulu gold deposits in 1975 attracted some small-scale artisanal miners to the site... and by 1993 there was a massive influx in which some 30,000 to 400,000 artisanal miners, associated entrepreneurs and ‘opportunists’ arrived.” However, following complaints over the manner of the eviction and allegations of killings, Barrick Gold/KMCL lowered the number of people who were in the area at the time of the eviction to 15,000.

When KMCL was challenged in court over the issue of compensation, in its defence the company submitted documents that showed the total compensation paid by the company amounted to slightly over USD 4,000 (LEAT, *Ibid.*). By any standard, this amount is very low. Assuming that each of the 400,000 people estimated to be there during the eviction was to be compensated, then each person would get USD 1 cent! And if, for sake of argument, there were only 4,000 people that deserved to be paid, then each would receive a compensation of USD 1 for all their property including houses, agricultural crops and as disturbance allowance before they were evicted.

Some evidence, according to the Chairperson of Small-Scale Miners at Bulyanhulu, showed that Mr James Sinclair, then Chairman for Sutton Resources, had advised his

¹⁶ This is stated in UN Resolution No. 1989/65 of May 24, 1989.

Board to authorize USD 3m for the compensation. The amount was rejected by the Board for reasons that remain unknown.

It is noteworthy that despite the take over of the area and subsequent establishment of the mine, the relations between the mine company and the community were initially cordial, but started turning sour from 1999, according to the residents. As mentioned earlier, in 1998 the company, the community and the District Council were all involved in drawing plans for making the area a small township. The community contributed TZS 2m/- (USD 1,600) towards the exercise which was later curtailed. From July 1999, the company prevented members of the community from either farming in the area or using a water borehole for their water supplies. The investors are also accused of going against their promises which included supplying the community with potable water. When the villagers requested access to the unused land, which was under the company control, the investors responded that the community should ask the government to lower the tax on the unused land because the company pays for the land though it does not use it.

The villagers considered other moves by the company as simply meant to harass and eventually force the community from the area. These included diverting the road from the Kakola centre as well as establishing a market away from the town. Villagers were also wary of the decision by the mine company to pay its staff the salary using banks that are outside the district arguing that the move kills their businesses because the employees tend to purchase all their needs after they draw their salary in those districts hence denying the local businesses a market. Initially, the company paid its staff the salary at the mine and local traders told me that they made good business as a result.

The company also prevented the villagers from scavenging waste materials from various construction works at the mine site. The villagers claim that this was done in order to discourage them from living in the area. Those residents with houses which used to be rented out by the mine staff were also not happy with the fact that the company had built its own staff houses which meant that they lost their potential tenants. A few staff still rent houses at Kakola centre, but the company, I was told, plans to build more houses so that all the staff would live in staff houses and not with *the local community*.

The community was bitter with these changes and blamed the investors that decisions were made in bad faith and that they were aimed to strangle community livelihood, and lead to the appearance of voluntary exodus of the area. The villagers believed that if the company succeeded in removing them from the area voluntarily then it would not be required to compensate them. On the other hand, the residents have vowed to remain until they are compensated. Some even said they should not be blamed if they plotted sabotage schemes against the investor's property.

While a contentious relationship exists between, the investors and the community, in general, the investor enjoys the support of the government from the district level high up to the central government.

6.3.4 Mining Community

As explained previously, the mining community comprised small-scale miners, farmers and businesspeople working and living in the area. To a large extent, and with the exception of well-established and settled farmers, the community was constantly in flux, with people coming and going depending on their economic and social success. Through my interviews, I came to realise that most of the community members at Bulyanhulu who were there during the evictions and those who have remained to date were mainly economic migrants from other districts and regions of Tanzania. It is also true that there were people from neighbouring countries such as Kenya, Rwanda and Burundi. It seems that most of the original residents had left the area after the gold rush. There are similar experiences in the country where the local people tend to sell land to new-comers at more than the normal local price and go elsewhere to continue their livelihoods and establish themselves afresh.

This nature of the community composition could explain why, for instance, after the forced eviction most members of the community left the area. Most of those who have remained either maintain large investments contingent on pending court cases or are too impoverished to go elsewhere to found new life.

It should also be noted that most of the miners, did not migrate to Bulyanhulu with their families and lived in simple, temporary ramshackle huts, not proper houses *per se*. The housing structures were akin to the shelters seen in most refugee camps in western Tanzania. To the majority of the miners and traders, Bulyanhulu was a *workplace* not a *living place*. People went there with an objective to make quick money and go back to their places of origin and invest in other ventures. That is why out of over 3,220 families whose houses were demolished, only a few (58 families) are still following the matter in courts of law to get what they consider as fair compensation. Others gave up and simply left the area soon after the eviction. As for pit owners, 900 claimants only remain out of over 10,000 members (miners and pit owners) registered with the local small-scale miners committee, who continue to seek legal justice in the courts. The pit owners sought compensation for their lost and buried mining tools and equipment. Some of the pit owners are also the same people whose houses were demolished. At the time of the research, a total of 1,940 claimants lost both mining pits and houses and were never paid anything.

The mining community was a heterogeneous mix of individuals with different backgrounds and economic aspirations. Members of the community had different levels of wealth and resources when the eviction occurred and responded differently depending on how they were immediately affected. It is these different responses that have contributed to the outcome of displacement as obtaining during the time of research.

6.3.5 Civil Society Organisations

Civil society can be defined as that realm which falls neither on government nor on the private sector. Civil society organisations therefore include professional and specific interest and advocacy groups not affiliated to any political parties. They are organisations run to advocate a certain social cause and do not seek to make and share profits or dividends like commercial companies do. Such groups have been loosely and collectively called non-governmental organisations (NGOs).

My investigation showed that the only civil society organisation that was active in the area before, during and after the eviction is the “Small-Scale Gold Miners’ Committee,”

which was established and registered in 1993. Members of the Committee were able to meet the Deputy Minister responsible for minerals in February 1995 to try and convince the government that the small-scale miners should not be evicted as rumours had already circulated that the mining area had been sold to a foreign investor and the miners would be evicted. The miners were promised the right to stay and continue their work providing they obey the law (Minutes of 30th April 1995 meeting held at CCM Headquarters, Dodoma). However, two weeks after the meeting, the Deputy Minister issued a press statement refuting that the miners had been allowed to continue working in the disputed area.

According to the Chairperson of the artisanal miners, during the general election campaigns of 1995, when the ruling party sensed that most of the would-be voters in the area were against the party, the ruling party officials had to request the committee to convince the miners, who had vowed to vote for the opposition should they be removed, to vote for the ruling party. For once, the miners' committee was a powerful force that had to be 'requested' by the ruling party campaign team.

Similar situations occurred during the 2005 general elections at the Mererani tanzanite mining area where the small-scale miners have also been challenging the right of the foreign large-scale investor to mine the gemstones. Like at Bulyanhulu, the small-scale miners at Mererani were removed from the area under controversial circumstances. Most of the miners were reportedly against the ruling party and the ruling party presidential aspirant had to promise the miners that the government would not forcibly remove the small-scale miners.

The Lawyers' Environmental Action Tanzania (LEAT) took an interest in the Bulyanhulu case in 2001 following the media publicity of the forceful evictions and has been representing the project affected people in court. Since LEAT's follow up the matter received much more publicity across the world, including in Canada and the United States, and the human and environmental rights advocacy group sought intervention from the Compliance Advisor/Ombudsman (CAO) for MIGA and the International Finance

Corporation (IFC) but to no avail. Because of the Bulyanhulu case, LEAT officials have had troubles with the police, who among other things, charged the former with sedition. The case has been dragging in court since 2002.

At the time of the research, there were two other organisations working in the community, CARE and DELIRA. CARE is an international development non-governmental organisation, and it started its education programme in the area in 2001, with the support from the mining company (KMCL). School-age children of the mine staff as well as those from the community in general are benefiting from the education programme, whose officials claim that it has helped stem child miners. DELIRA, which stands for “Development and Life Relief Association,” started working in the area since 2003. At the time of the research, its main focus was on environmental conservation and promoting income-generating activities for youths. According to DELIRA official, the main challenge facing the organisation was the sustainability of its projects given the fact that members of the community were not ‘settled’ as they feared that they could be forcefully evicted from the area anytime. In this way, the organisation’s projects were only half-heartedly received by those expected to benefit. The official gave an example saying, ‘Although we provide the people with free tree seedlings, not many are willing to take any to go and tend them because they are not sure whether they would still be living in the area the following day.’

With LEAT, it is clear that the work of the organisation has influenced the outcome of the eviction in the sense that most of the evictees who remained are legally assisted by the organisation. My research showed that most of the project affected people would stay in the area at least until their matter is resolved in the courts of law where they are represented by LEAT. Unlike LEAT, however, it is difficult to show whether and how CARE and DELIRA have so far influenced the outcome of the eviction.

6.3.6 Politicians

Tanzania is a relatively young multiparty democracy. It is common to find politicians from the ruling party supporting the government even where they know they should be against a particular government decision, while the politicians from the opposition parties

would, almost, be against the government, sometimes, unnecessarily so. However, most of the time also, politicians such as members of parliament (MPs), would tend to support their constituencies even when they (MPs) may appear opposed to the government. And when an issue or motion is tabled before the parliament, most often the government would have its way despite some resistance from members of the opposition and few members from the ruling party. As far as the Bulyanhulu displacement is concerned, the role of politicians on the whole issue was inaction until the eviction took place. With the exception of the late Bhiku Mohamed Salehe, a former Member of Parliament for Msalala constituent (in which Bulyanhulu is located), who raised the issue in the National Assembly during the parliament session in July 1996, most politicians were mute on the topic. However, as the issue of allegations of the killings of miners persisted, some key leaders from the opposition parties also joined the fray. These included the chairmen of political parties, John Cheyo of the United Democratic Party (UDP), and Augustine Mrema of the NCCR-Mageuzi. Both accused the government of improper conduct over the allegations. The latter was later charged with sedition over some documents linked to alleged killings of artisanal miners, together with two leaders of LEAT, the human rights advocacy organisation which has been representing the evicted miners in the court. The case has been going on since 2002. If the prosecution wins the case, the accused could be jailed for up to two years in prison. Since the charges were brought up against the lawyers and the politician, other politicians have refrained from public comment on the Bulyanhulu evictions.

6.3.7 International Financial Institutions and Donor Governments

In the era of globalisation, International Financial Institutions (IFIs) which include the World Bank or the International Monetary Fund (IMF) and large, wealthy nations that advise and financially support developing countries, exert a profound influence on the lives of people within those developing countries, for both good and bad. Their influence comes, through technical advice on policy and operational matters of governments. It also comes through financial support given to those developing countries directly to their budgets of specific development programmes and projects. These financial institutions and donor countries provide loans and grants, and may decide to cancel the debts owed by the indebted countries. Tanzania, for example, whose development budget is

contributed by donor countries by over 40 per cent, is among the Highly Indebted Poor Countries (HIPC) and has been greatly influenced by the financial institutions and donor countries.

As a background, from the mid-80s, Tanzania has been unable to resist the influence and even pressure from the financial institutions and the donor countries under the so-called Paris Club. Consequently, began to implement the infamous Structural Adjustment Programmes (SAPs), which were advocated by the IMF. Breaking from the hitherto centrally planned and mainly socialist economy, Tanzania adopted free-market economy and liberalisation policies, which included liberalisation of the minerals sector. The World Bank played an influential role in the formulation of Tanzania Mineral Policy of 1997 and the subsequent Mining Act, 1998. According to Paula Butler in Campbell (ed.) (2004), the World Bank initiated in 1993-94, a five-year Mineral Sector Technical Assistance Project for Tanzania to 'introduce a legal, regulatory and fiscal framework, which would provide an environment conducive to private investment in mining... Most notably, the project included assistance in rewriting relevant national legislation, e.g. the new Investment Act of 1997 and a new Mining Act of 1998, to harmonise Tanzania's legislation with the requirements of the new global political economy' (p.68). It is therefore not surprising that the mining legislation in Tanzania has attracted international mining giants, such as Barrick Gold, within a short time, most of whom started their mining operations in the country from 1999.

As far as the Bulyanhulu case is concerned, in 2000 the World Bank Group, through MIGA, offered Barrick Gold political risk insurance worth USD 172m. Under this agreement, the World Bank would pay that amount should the project be disrupted by any politically related cause or civil upheavals. It was likely important for the investors, Barrick Gold, to get such an insurance considering that the people who were evicted were bitter and could come back and cause unrest. However, LEAT (2003) notes that MIGA did not conduct any due diligence on the overall project and investigate any violations, before it agreed to offer them the insurance as it should have been the case. Following the claims on forced and violent evictions, the Compliance Advisor/Ombudsman (CAO) for

MIGA was forced to conduct an investigation into the alleged violence and killings during the eviction. The final verdict of the Ombudsman was that the allegations could not be substantiated. In conflict with other reports, the Ombudsman report claimed that the number of evicted people was between 200 and 2000, a figure which is much lower than that given by the company itself.

The official at the World Bank whom I interviewed about my research was uneasy and unwilling to dwell or discuss the role of the Bank on the events of Bulyanhulu. The official, however, acknowledged the important role played by the artisanal miners and the challenges facing them and revealed that the Bank in Tanzania was in the process of formulating a five-year (2007-2011) USD 50m project called “*Sustainable Management of Mineral Resources in Tanzania*” aimed at, among other things, getting small-scale miners more organised.

As for donor governments, in the case of Bulyanhulu there were reports that the Canadian government threw its weight behind the Canadian investor to ensure the acquisition of the mining area by whatever means necessary (LEAT, 2003). There are even reports suggesting that Canada suspended its financial support to Tanzania because the second-phase president of Tanzania (1985-1995), Ali Hassan Mwinyi, had opposed the Canadian acquisition of Bulyanhulu and expulsion of small-scale miners; and that the third-phase president, Benjamin William Mkapa, was told in no uncertain terms that the resumption of aid was dependent on his acting to remove artisanal miners from Bulyanhulu.¹⁷

Related to the issue of donor governments is the fact that sometimes, retired but globally influential governments’ leaders hold positions in the companies in question. For instance, within Barrick, at least until 2001, the advisory board was chaired by former Canadian premier, Brian Mulroney, while other members included former US president,

¹⁷ An article titled *A Golden Example of Globalization: Bulyanhulu, the World Bank and the Kinder, Gentler President*, by Bradburn-Ruster, Michael, March 20, 2003. See also <http://www.lead.or.tz/about/pr/2002.01.09.national.post.php>

George Bush, Sr.; former US ambassador to the UN, Andrew Young; and a close associate of former US president Bill Clinton, Vernon Jordan. Such respected members of the board could easily, if they so wished, influence decisions to be taken by leaders of the developing countries, including those of Tanzania. According to Michael Bradburn-Razer¹⁸, ‘in May 2001, Barrick President and CEO Randall Oliphant, who was fired in February 2003, told shareholders that the Tanzanian government had been sanguine about Barrick’s takeover because of the company’s stellar advisory board.’

6.3.8 Consultants

Consultants were involved in the project during the Environmental Impact Assessment (EIA) and the subsequent writing of the Environmental Impact Statement (EIS). This process took place during 1997-1998, before Barrick started its operations in 1999. Ideally, a negative EIA report would imply the project should not be allowed to continue. Indeed, there have been claims of instances where consultants drafted reports showing the projects would not have negative impacts on the environment and communities around them against common sense and despite obvious indications pointing to the contrary. In these circumstances, one can say, the professionals are influenced by project owners to produce an EIS in favour of the investors. At the same time, there have been instances where despite negative reports by (ethical) consultants, projects had been allowed to go on by politicians. My interview with an official with the National Environment Management Council (NEMC), which is responsible for overseeing such environmental impacts assessments, confirmed these experiences and possibilities.

As for Bulyanhulu Mine Project, the EIS contained some arguments or statements which appear to play down any negative comments regarding the impact of the eviction on the mining community. For instance, while it was clear that the eviction in 1996 was forceful, violent and controversial, in its concluding remarks, the EIS (KMCL, 1998) states that, ‘There is currently no apparent conflict between KMCL and customary land holders in the area. There also appears to be low potential for conflict. Ensuring access to

¹⁸ Ibid.

resources in the area not in conflict with mining operations will maintain this potential at a low level' (§ 11.1.5).

In my reading of the above quotation, however, the last sentence at least admits the possibility of conflict when it advises that local community should have some entry into the area to access resources (land, water sources) providing such access does not interfere with mining operations.

On impact of project on land use pattern, the report says, 'Some 50 square kilometres of agricultural land and potential agricultural land is infringed upon within the current KMCL PL area. However, only a relatively small population exists in this area and will be affected by development of the Project' (§ 8.3.1). This is another example of direct misrepresentation. Assuming the statement to be correct, negates the possibility that some people may not live in the area in question but still maintain their farms in the area. This is common in rural Tanzania where people may even walk 10 kilometres or more daily, to and from their farms, and especially so, following establishment of villages where some people found themselves located far away from their original farmlands. Therefore, the issue should not have been whether people existed in the agricultural area, but rather whether the area in question was being used or had the potential of being used by the members of the community.

The EIS also made some promises that the investor, KMCL, would undertake in improving the lives of the surrounding community. These were in areas of social services such as health, education, and water supply. According to my interviews, respondents were not pleased with what has been done to date by the investor. They even claimed that they had worse water supply now that the investor took from them their main water source, a deep, fresh water well. In short, during my research in the area, the people articulated a sense of mistrust, anger and animosity towards the mining company.

However, the fact that the EIS was accepted by government authorities meant that the project could go ahead. What can be said now is that the Environmental Impact

Statement which was prepared by the Consultants, paid by the investor, to some extent presented a picture that influenced the outcome of the eviction.

6.3.9 Media

Media coverage on the fate of small-scale miners of Bulyanhulu started from 1995 following the meeting between the Deputy Minister for Water, Energy and Minerals as the ministry was called then and the committee of the miners. The media reported the government allowing the small-scale miners to continue their activities at Bulyanhulu, and a week later the same media reported the government refuting that it had allowed the miners to stay.

Media outlets also reported the government ordering out the miners in July 1996, a few weeks before the eviction took place. On July 31st 1996, *Daily News* carried a title "*Government orders out Bulyanhulu miners*". After the eviction had taken place some newspapers also followed the event. A Kiswahili daily, *Majira* (12th August 1996) reported "*Kufuatia amri ya kuwatimua wachimbaji wadogo: Watu 23 wahofiwa kufunikwa na 'greda' Bulyanhulu*" - which can be translated "*Following the order to evict artisanal miners: 23 feared buried alive by bulldozers at Bulyanhulu*". The following day, another daily, *Mtanzania*, wrote: "*Utata Watawala Maafa ya Kahama: Waliokufa machimboni wahofiwa kufikia 52: Picha za maiti zapelekwa Dodoma, wadaiwa kufunikwa na magreda*" – which translates to "*Controversy reigns over Kahama mine tragedy: Death toll feared to reach 52. Photos of the victims sent to Dodoma. Victims allegedly buried by bulldozers*". Dodoma is where the Parliament sits and the photographs were taken to show members of parliament.

The media also reported stories from people who survived during the incident. For instance, on August 30th 1996, *Majira* reported: "*Aliyenusurika kufukiwa Bulyanhulu ataja waliokufa: Adai wenzake wanne wamekufa*" (A survivor names the dead: Claims four colleagues are dead). And on September 9th 1996, *The Guardian* published a feature article "*The day hell broke loose at Bulyanhulu*" which described the event on account of witnesses. Furthermore, newspapers published items indicating how the police were thwarting efforts of small-scale miners to excavate their dead colleagues from the buried

mine shafts. It took over a month before government authorities refuted the media reports. *Majira* quoted Shinyanga Regional Commissioner, Maj. Gen. (rtd.) Tumainieli Kiwelu, as he then was, as saying those who claimed that some people were buried alive were “*liars and fabricators*”. The story, on September 17th 1996, was under the headline “*Hakuna waliofukiwa mashimoni Bulyanhulu - Kiwelu*”, which can read as “*Nobody buried in the mine pits - Kiwelu*”.

From the foregoing discussion, it is evident that the media tried its best to report about the fate of small-scale miners before they were evicted, immediately after the eviction and some time afterwards. Most of the Tanzanian public were informed about the eviction through the media. Other actors, including non-governmental organisations such as LEAT referred to above, took an interest in the issue following such media reports. The world came to know of the episode after it was reported first in the local media. To what extent did the media reports shape the outcome of the eviction? It is difficult to answer this question with certainty, other than accepting the fact that what we do is influenced by what we know and come to know from and through various sources and outlets including such media. However, I hold the view that while the media contributed in exerting pressure on the government to come out clean on this forceful displacement of thousands of people, there were other more powerful global forces that rendered the media coverage on the plight of mining community relatively inconsequential.

6.4 Discussion

Having detailed how the different actors participated in the process from the pre-eviction stage through the post-eviction period, it is worthwhile to discuss further the outcome and how it came to prevail.

Using the political ecology perspective, I look at the events leading to the eviction, the eviction itself, life after the eviction, and the relationships among the different stakeholders as struggles in which each stakeholder promotes and protects their interests, values, knowledge and power. From the perspective of the displaced, theirs is a resistance against the powers that be, the investors and the government of the day. Was, or has, this resistance been successful?

Based on experience from different projects worldwide, McDowell (1996) argues that for a resistance to be successful, a number of factors need to be operating simultaneously. 'These include the fact that the local campaign of resistance has to be effective and with strong international backing. Also the government has to demonstrate willingness to listen to the concerns of the protestors. And if the World Bank is involved, an influential sector within the organisation has to be opposed to the project and against the plans of the borrowing government' (1996, p. 117).

In the case of Bulyanhulu, the 'local resistance' was, at best, very local. There is no evidence to indicate that other regional or national civil society organisations were involved in the campaign. The "Small-Scale Gold Miners' Committee" was fighting a lone fight. LEAT started its assistance only in 2001. International media such as the Canadian *National Post*, or interest groups such as Canadian-based Council of Canadians and *MiningWatch*, also became involved, at least 5 years after the eviction had taken place.

The outcome of the Bulyanhulu 'local resistance' can also be explained by the nature of the members of the mining community and especially the members of the "Small-Scale Gold Miners". It is a fact that most of the members of this community were economic migrants who went to the area to 'try their luck' as gold and gemstones mining is normally believed to be in Tanzania. Therefore, on being evicted, most of the members apparently resigned to themselves saying 'it was not their luck' and quickly packed and left the area. The resistance weakened. It should also be remembered that this widely heterogeneous community comprised members from different parts of Tanzania and indeed neighbouring countries.

According to McDowell (*Ibid.*, p. 83), 'a successful record in defending local interests, usually based on a long history of internal coherence and solidarity, effective political structure, leadership and previously existing community organisations which may backstop resistance movement, may also affect the community's ability to mount and

ultimately institutionalise serious resistance efforts.’ This description fits well the situation of Bulyanhulu.

Another challenge that seems to have affected the Bulyanhulu resistance is economic resources. According to the Chairperson of the Miners’ Committee, raising funds to get their court case going has been a principle constraint. The High Court that dealt with their cause was located hundreds of miles away and only few members could travel to attend the case. One such member is Mzee Lujiga (cited in Chapter Five), who travelled by bicycle for hundreds of kilometres, from Bulyanhulu to Tabora, spending nights on the way in the villages, to attend the proceedings.

Economic factors have also been noted by McDowell (*Ibid.*) who says that economically, resistance requires the mobilisation and expenditure of labour and other resources in novel ways, diverting time and energy from other important tasks and stressing communities that may already be pressured to meet normal needs.

The Chairperson also divulged to me that approximately 40 members of the mining community, who are employed by the mining company, have been assisting the Committee financially but secretly for fear of reprisals from the management, probably sacking, if it were known that they are ‘assisting the enemy’.

On the question of government attitude towards the demands of protesters, the experience at Bulyanhulu in 1996 is simply that the government refused to hear the cry of the mining community. At the meeting in 1995, between the deputy minister (responsible for minerals) and the representatives of the miners, the government promised to allow the small-scale miners to continue eking out their living. However, the government did not make good its promise. Indeed, the government did not even listen to itself as the state, which is one arm of government, executed the eviction against the order of the High Court, which is another branch of the same government.

It can be added that the struggle between the government (and the investor behind the scene) and the mining community, was a power struggle. And in line with Max Weber, power 'is manifested when an actor within a relationship is in the position to carry out their own will despite resistance' (*Ibid.*, p. 182). Indeed, the government carried out its own will despite the resistance from the mining community that continues today. The current and daily struggle, however, closely pits the investor against the mining community who now tensely co-exist.

The World Bank came to be involved in this project through its risk guarantee in 2000 while the eviction took place in 1996. However, I have found no suggestion that any faction within the Bank was opposed to the project despite the fact that the Bank in Tanzania would have known of the eviction. Being among the major multilateral financiers of Tanzania, there are instances when the Bank has intervened, advising the Tanzania government on certain decisions. Indeed, the Bank has occasionally expressed its displeasure at the government's performance and record including in relation to the observation of human rights. In Bulyanhulu case, however, the World Bank was rather silent. The same can be said of the donor countries represented in Tanzania, who might have criticised the government for human rights abuse; if they said anything then their voice was unheard.

To summarize, in this chapter, I have outlined the different social actors and how their actions, or inactions, contributed to the outcome of the displacement. The main actors were the government, foreign investors and the mining community that was affected by the displacement. Through the details and discussion, it is evident that the displacement can be described as a power struggle as well as a struggle over distribution of resources. In this struggle, while the mining community was less organised, the government and the investors were more powerful and enjoyed overt or covert support from external actors. These indirect actors included the International Financial Institutions and the donor community at large. This is the essence of globalisation in which the lives of people in rural remote areas of developing countries such as Tanzania are influenced and affected

by the capital and decisions of multinational companies, some of which are by themselves, more influential than governments.

As stated at the beginning of the chapter, some people may hold big chunks of steak but may lack sharp knives to chop and enjoy the steak. From the foregoing, it is clear that the majority of the mining community at Bulyanhulu fall in this unfortunate example.

CHAPTER SEVEN

EMERGING ISSUES AND LESSONS LEARNT

7.1 Introduction

In the preceding chapters, I have shown what transpired at Bulyanhulu in 1996, and the current livelihoods of the mining community who were evicted and prevented from continuing their mining in the area that now belongs to Kahama Mining Corporation. The company is owned by the global mining giant, Barrick Gold. In this chapter I set to review and discuss some of the emerging issues and lessons thereof. But first, I make some comparisons with what happened in other development-induced displacements in the country.

7.2 Experience from other Development-Induced Displacement in Tanzania

Tanzania has seen a number of development-induced displacements over the period of its existence as a nation. Undoubtedly, the largest single displacement in terms of the number of people involved, was the *Ujamaa* Villagisation Programme (*Operesheni Vijiji*) of the 1970s, which according to some estimates, about 12 million rural dwellers were forcibly resettled in villages or hamlets (Kaijage and Tibaijuka, 1996). Some observers, including Kaijage and Tibaijuka (*Ibid.*), have been critical of the villagisation displacement process and conduct. Citing other sources such as Hyden, 1980; Mc Henry, 1979; and Freyhold, 1979, in their UN-commissioned study, they argue that a number of studies have documented evidence which proves, beyond doubt, that, in most of the country, the outstanding feature of *Operation Vijiji* was that district and village authorities implemented it with a great deal of arbitrariness and injustice. In short, the exercise was conducted without negotiation or consultation, nor was there compensation to the affected people. However, the opinion of the people on the impact of the villagisation displacement is divided, with some people in the villages still attributing the poverty they have today, mentioning land scarcity and lack of better houses, to the villagisation programme of the 1970s. Others, the majority, argue that the villagisation programme helped bring the people together, building social cohesion, and increased security in its broad sense.

At different times, between 1970 and 2007, for example, the government has implemented various development projects, especially those relating to infrastructure, which resulted in people living close to those projects to be displaced. I have not been able to get specific numbers of people affected by such projects, but arguably, they could be in their thousands. Some of the major projects of the 70s included the Tanzania-Zambia Railway, Tanzania-Zambia Highway, and Tanzania-Zambia Oil Pipeline, all of which run through hundreds of villages over the thousands of kilometres between Tanzania and Zambia.

Other large infrastructure projects in the 80s and early 90s which displaced some people included the Mtera and Kihansi hydroelectric power dams, expansion of the former Dar es Salaam International Airport, now Julius Nyerere International Airport; Mindu water dam in Morogoro, and establishment of Morogoro and Moshi waste disposal sites.

In each of these development projects, some people were forced to relocate to give way. However, I have not come across complaints or strong opinion to indicate that the people who were displaced were handled in the same way the people were treated, or reacted, at Bulyanhulu. I will return to this apparent ‘non-complaining behaviour’ when I discuss reasons for complaints below. Before I do so, I also highlight some experiences with displacements that were caused by mining projects. I call this type of displacement ‘Mining-Induced Displacement’.

7.3 Mining-Induced Displacement

As explained elsewhere, Tanzania is teemed with minerals of various quantity and quality in different places around the country. Before liberalisation of the mineral sector in the late 90s, large-scale mining operations were done by the state-owned companies. Two of the large-scale mining projects worth mentioning here are the Mwadui Diamond Mine, which was established in the 1920s, and in which the government had at least 50 per cent shares, and Kiwira Coal Mine. My research has found little evidence to suggest that there had been massive displacements in the course of establishing these projects, or evidence suggestive of conflicts between the projects and the people living nearby those mines.

Another example worth mentioning is the Songosongo Natural Gas Project. This is also a joint venture involving the Government of Tanzania, the World Bank, and private investors. The project was initiated in 1995/96, and after surveys and valuation of land and property, the compensation was effected during 1997 to 1998. The financial agreement among the partners was signed in 2001, construction started in 2003, and gas extraction and transportation started in 2004. The gas pipeline covers about 217 kilometres from the source at Somanga in Kilwa to Wazo Hill in Dar es Salaam, and its construction affected about 3,000 people who were duly compensated with land and money at the rate that was considered 'generous'. Today, this displacement is considered by relevant land experts, some of whom I interviewed, as the most successful (resettlement) undertaking in the country.

7.4 Factors explaining the experience of Mining-Induced Displacement at Bulyanhulu

Apart from the Bulyanhulu gold mine project, between 1998 and 2001, at least 120,000 people have been displaced to pave way for development of four gold mining projects alone (*see Chapter Four*). In all these displacements there have been protests and complaints from the project affected people. However, in none of those displacements, had there been so much controversy and resistance to the level shown in the Bulyanhulu case. Why was that the case?

The following combination of factors could shed light on the experience of mining-induced displacements in general and for the specific case of Bulyanhulu as compared to other development-induced or even mining-induced, displacements in the country.

7.4.1 Use of excessive force to evict the small-scale miners

In all other displacements that have occurred in the country, none witnessed the use of such excessive force and destruction, for so many people in one area. This violent method likely contributed to bitterness and retribution by the evictees. So far the mining community has used legal system to seek redress. However, during my interviews (in July 2006) with some of the affected people, they are ready to use violent methods to counteract the unfair treatment of the mining company. Indeed, in February 2007, the

residents in the area turned violent to avenge perceived further unfair treatment by the company. In short, this proves the maxim that violence breeds violence.

7.4.2 The sheer number of people directly affected by the project negatively

By any standards, 400,000 people being displaced and having their livelihoods curtailed or disturbed in one way or another, is a large number. The recent (from late 1990s to 2000s) mining-induced displacements (apart from the Bulyanhulu, that is) combined affected about 120,000 people in four different places. Even what is considered as the well-managed displacement referred above, the Songosongo Natural Gas Project, affected only about 3,000 people. Therefore, the sheer number of people involved in the Bulyanhulu case made it different compared to what has happened in other related displacements. I should add, however, that large number affected the outcome (of the situation at Bulyanhulu) both negatively and positively: negatively because of the many varied interests within the affected community, possibly delaying consensus within the group; and positively because the large number attracted interest, sympathy and support from external parties.

7.4.3 Amount and type or form of compensation

Although the rate of compensation used to pay the few households that were compensated was the government rate, it is widely acknowledged by the public and land professionals, that the rate in use was unrealistically low. In 1996 and even in 1998, for instance, the rate used for compensation was TZS 47,000 (USD 84) for one hectare of rice, TZS 33,000 (USD 59) for maize, TZS 11, 250 (USD 20) for millet, TZS 22,660 (USD 40) for cassava or TZS 16, 090 (USD 29) per hectare.¹⁹ These were, and are, the common (food) crops in the area under study. Compensation for houses (buildings) depended (and still depends) on parameters such as building materials, function of building, location and prevailing market conditions.

¹⁹ The rates were issued by the Government, through the Ministry of Agriculture on 16 September 1992 and were in force until 1999 when the new land acts were enacted. Old rates applied uniformly throughout the country, while currently district councils are empowered to set their own rates depending on market forces. Exchange rate was about 1USD equivalent to TZS 560.

By comparison, the compensation rate used by the Geita Gold Mine in 2001 was USD 200 per acre (an area which is smaller than the hectare), a rate higher than that set by the government. In the case of Songosongo Natural Gas Project, while the government rate was set as mere TZS 6,000 (USD 11) per large tree (for example, a mango, coconut or jack fruit tree which are common trees in the area affected), the project developers were willing and actually paid TZS 22,000 (USD 39) per tree. This relatively high compensation rate encouraged people to willingly take part in the project. Some even saw displacement as an opportunity to improve their incomes.

In contrast, the displacees at Bulyanhulu were poorly compensated and naturally challenged the compensation level in court. Some of the affected people at Bulyanhulu plainly stated that they were ready to leave the area any time provided they were duly and fairly compensated.

7.4.4 The legacy of Ujamaa policies

The legacy of Tanzanian or African Socialism, *Ujamaa*, is still much alive among many of the Tanzanians, 40 years after the ideology was formally introduced in the country in 1967, and despite its non-official abandonment in 1991 when the government adopted liberal economic policies. There is a common mistrust of foreigners running the pillars of the economy, including such sectors as mining. This sense or feeling of mistrust is compounded by the fact that the majority of the people are yet to enjoy the benefits of privatisation as they had been promised. To make matters worse, most of the investors have been accused by some sections of the media, civil society organisations and politicians of ‘stealing’ from the country through various means, but especially, lopsided contracts and tax evasion.

A disenchanted public typically blames their poverty on privatisation, which to them is more of ‘*foreignisation*’ (*Ugenishaji* in Kiswahili as opposed to *Ubinafishaji* which is privatisation). Such disenchantment produces negative attitudes toward foreign investors. The perception that the country has been ‘sold to foreigners’ provides a straightforward impetus for discrediting foreign investors, non-cooperation and even

sabotage. Indeed, such acts allow people to vent their frustration and anger as they remember the past *Ujamaa* with nostalgia.

7.4.5 The legacy of anti-apartheid struggle

Since the adoption of open market economies, a number of South African companies have come to invest in Tanzania. Currently, South African investments in Tanzania account for 10 per cent of all foreign investments in the country, South Africa being the second largest investor in Tanzania.²⁰ Indeed, most of the foreign capital and investments in Tanzania, whose majority shareholders and owners could be in Australia, Europe or North America, are held by companies which have a connection of one way or another in South Africa. Kahama Mining Corporation is one of such cases. Most of its operations are coordinated from South Africa and its foreign staff is mainly recruited from South Africa. Most of the company supplies including foodstuffs are imported from South Africa. Considered as the most developed country in Africa south of the Sahara, South Africa is the centre of capital in sub-Saharan Africa: it is the centre of the periphery. It should, therefore, not be surprising that, to a common man at Bulyanhulu and indeed in Tanzania as a whole, who always sees this South African face, the mining company is more South African than Canadian.

During the struggle for the liberation of South African countries and anti-racism against the apartheid South Africa regime, Tanzania was the centre of this movement and there was strong political animosity between Tanzania and South Africa. Because of this history, even today, some people in Tanzania maintain this sentiment toward White South Africans and would call them *Makaburu*, Kiswahili word for Boers, which is considered derogatory, to express their sentiments. Incidentally, some Tanzanians also believe that some White South Africans hated and continue to hate Tanzanians because of their stance against South Africa, noting that Tanzania was the axis of the liberation struggle.

²⁰ Figures attributed to Basil Mramba, Minister for Industry, Trade and Marketing, issued on April 1, 2007, before the meeting of presidents of Tanzania and South Africa. Between 1990 and 2006, about 150 companies from South Africa invested businesses worth USD 467m.

This view, on the impact of historical relations between Tanzania and South Africa was shared by a Tanzanian senior official with one of the giant foreign gold mine companies, as well as by another government official in the Ministry of Minerals. Indeed, some respondents at Bulyanhulu used the term *Boers* when referring to the mining company.

In a nutshell, the resistance by the mining community at Bulyanhulu cannot be divorced from the Tanzanian past political and economic policies and its relations with the apartheid South African regime.

7.4.6 Increased awareness of basic rights among the population

Compared to the period before 1991, the general public is more aware of their basic rights. This can be attributed to several factors including increased government transparency; competing political parties which challenge the government; the existence and increase of civil society organisations which educate the public on human rights; the presence of private media which report news items that might otherwise sometimes be ignored or censored by the government media because of its sensitivity, and a more educated public in general.

In the past (during *Ujamaa* era) it would have been unexpected for an individual, leave alone a thousand people, to institute legal proceedings against the government interest or decision. Today, people are more aware of their individual rights, and because of the influence of liberal policies, people have become individualistic and are more likely to challenge the communal or public rights when they feel that their own right have been trespassed or usurped by another, person, a group or an institution. That is to say, even if the state had in the past taken over land from villagers for the other development projects, for the public interest, still the people would have accepted this and not claimed any compensation.

The above factors created an enabling environment for the mining community at Bulyanhulu to stage their resistance and influence the outcome that is present today.

7.4.7 Participation of the project affected people

In the case of Songosongo project discussed above, there was “sufficient” consultation and negotiation among the stakeholders to the extent that the project affected people “understood” and “cooperated”. In the cases of both Geita and Nzega mine projects there were some consultations also, and this may explain why in those projects there has not been such strong opposition compared to the one in Bulyanhulu.

In the Songosongo project at least one year, from 1997 to 1998, was used to sort out compensation issues. In fact, some people did not leave the area until in 2002 because they needed “sufficient” time to mobilize their exit from the project area, according to the project social development officer.

In the case of Bulyanhulu there was hardly any consultation or negotiation as required by the Land Acquisition law and the Environmental Impact Assessment process. The government issued a one-month notice demanding the people to vacate the area. In addition, the forceful eviction was carried out while the matter was still in court, and despite the fact that the mining community had won a court injunction temporarily preventing its eviction.

7.4.8 Implementation of community development and social projects

After the new investor had taken over the mining site, there were pledges that the company would support the surrounding community through social projects such as provision of potable water, health and education facilities and roads. According to the respondents in the area, almost none of the promises had been fulfilled. In fact, some of the respondents were concerned that the main water source for Kakola village, for instance, had been taken over by the company denying the thousands of the households of the important community common property.

The villagers also complained that the hospital that was run by the mining company offered services for charges that were beyond the reach of most common people in the villages. As for the road services, the community was of the view that the company was

concerned only with the main roads leading to Kahama and Geita which the company use to get its supplies through to or out of the site.

The company, however, has contributed to the construction of at least two primary schools and one secondary school, a market structure, and also supported an HIV/AIDS project.

In general, communities around most of the mine projects have complained that the mining companies did not support the communities in their community development projects. However, in the case of Songosongo project, there have been considerable investments in community development projects including electrification scheme in the areas covered by the gas pipeline.

Such differences in implementation of 'promised development' make the difference in how one displaced mining community relates and reacts to the mining-induced displacement and its proponents and especially foreign investors.

7.4.9 The conduct of land and property valuation before the compensation

According to one informant, an expert in land valuation, between 70 and 80 per cent of complaints arising from compensation cases in Tanzania are related to assessment. It could be because of the methods of assessment (valuation) used, or the rate of compensation fixed by the government (as shown previously), or what the claimants perceive they should receive as fair compensation.

Respondents at Bulyanhulu claimed that the valuation exercise was rushed and almost arbitrary, and was supervised by officials from the mining company. This is contrary to procedures. In the standard practice, compensation is approved after the claim forms have been endorsed by the following officials: the officer who conducted the valuation, the Government Chief Valuer, Ward Executive Officer, Land Officer, District Commissioner, and Regional Commissioner. Compensation to the claimant is effected by the Cashier in the presence of the Village (or hamlet) Chair and the Valuer.

This procedure was not adhered to and could be one of the causes of complaints from the displaced persons. From the experience in Tanzania, valuation and compensation exercises have been fraught with corruption and misappropriation of funds by some authorities involved in the chain. There were also reports of similar situations in the case of Bulyanhulu, and at least the official responsible for compensation from the mining company was later fired. According to my informants, the issue of compensation was the main cause for his firing. Close by at Geita, there were also reports of misappropriation of funds meant for the compensation for people evicted to allow development of the Geita Gold Mine. Such corruption and misappropriation have even been discussed in parliament.

In contrast, the developers in the Songosongo project used an independent valuer and not the government valuer as would normally be the case. This helped building trust in the whole process and avoided or minimized unnecessary possible complaints in future from the would-be claimants. Recently (March 2007), the Minister for Energy and Minerals, who was visiting one of the mining areas in the country, conceded that it was time the government reviewed its practice on land valuation and compensation and use independent valuers when the government were involved in a land transaction.²¹

7.4.10 What the land actually contains and use of the land after the eviction

Central to the Bulyanhulu eviction and displacement was a contestation over the right to own resources, and more importantly, valuable resources in the name and form of gold. It can, therefore, be understood when the resistance and feelings to let go of the resources are strong, especially so when the process to dispossess one group of those resources and give them to another is not as smooth.

Despite what could be described as a successful displacement in the case of Songosongo project, compared to the Bulyanhulu project, it is instructive to remember that these two projects were different in terms of what their affected lands contained and was actually

²¹ See an article '*Government seek solution to conflicts in mines*' (*Uhuru, March 22, 2007*). My translation of title from Kiswahili. See <http://www.uhuru.info/Habari%20mchanganyiko.htm>

worth in real terms. For Songosongo project the land taken over was the way leave, and to our knowledge, that taken land does not contain valuable minerals compared to gold, which supported the livelihoods of the affected communities. The pipeline is merely used to transport natural gas which is not as valuable and was not even a source of livelihood of the affected communities. By contrast, in the case of Bulyanhulu, the local community was involved in mining gold, and the new investor was to continue mining gold. In this case, it is easy to predict how the affected community would react.

There are other smaller-scale examples in the country, such as evicting miners from sand or gravel quarries where the resistance was equally low because the quarries were eventually taken by the government and put to other use such as dumpsites or simply land filled and converted into residential plots.

The point is that the *actual* value of the land for those evicted greatly influences the outcome of the displacement. The government is slowly accepting this reality after some advice from different quarters including from legislators from mining areas. Recently (March 2007), the Minister for Energy and Minerals also acknowledged the need to broaden the scope of valuation so that people being displaced from mining areas should also be compensated for the underground content and not only for their surface development of the land. This statement was made while the minister addressed the public in one of the mining areas that have experienced conflicts between the investors and the local communities.²²

7.5 Drawing Lessons

Several lessons can be drawn from the discussions in the preceding chapters, and from my findings in the field. They are summarized below.

7.5.1 Policy and Legal Issues and Challenges

1. The policy and legal framework governing mining in Tanzania is geared towards attracting foreign investment. Such emphasis occurs at the expense of the wider society and has a potential for a heavy social cost. The sometimes-violent

²² *Ibid.*

reactions from the affected communities attest to this challenge. This reality is further evidenced by increased protests and questioning from politicians, academicians, civil society organisations and the common man and woman in the street over the large-scale mining rights and contracts awarded to foreign mining companies. The government has occasionally admitted that the contracts were lopsided against its (government) favour, and has promised to renegotiate them so that a win-win situation was achieved.

2. It has become clear that the Environmental Impact Assessment (EIA), which was, and is, mandatory before a large-scale investment such as one of mining is to take place, was not sufficient in its scope. More disturbing, however, is the fact that the impact assessment was conducted after the community had been evicted! In essence, the main thrust of the assessment was on the physical environment and with little regard for the social and economic conditions of the people to be affected by the development. With the passing of the new National Environment Management Act of 2004, the assessment has to include the social impact. Effectively, the term has become Environmental and Social Impact Assessment (ESIA).
3. Tanzania does not have an official policy on resettlement. Matters relating to displacement and compensation are dealt with using the Land Acquisition Act of 1967, Land Act No 4 of 1999, Village Land Act No 5 of 1999, and the Compensation Procedures and Practices of the Commission of Lands in Tanzania. The government has applied the World Bank guidelines on Involuntary Resettlement as was the case in the Songosongo Natural Gas Project when it used Operational Directive OD 430. The current guideline formulated and advocated by the World Bank is known as Operational Policy OP 4.12. Through the support of the World Bank Mission in Tanzania, efforts have been initiated to draft the National Resettlement Policy.

4. At the moment at least two ministries are involved on issues relating to land on which mining has to take place, namely the Ministry for Energy and Minerals (MEM) and the Ministry for Lands, Housing and Human Settlements Development (MLHSD). The former grants mining rights while the latter grants surface rights. Other government institutions which may be involved include the Ministry for Regional Administration and Local Government, currently under the Office of the Prime Minister. Regional and District authorities including the District Councils also maintain interests because, in practice, the lands under the villages fall within their jurisdictions. At the same time, there is a government institution, called Tanzania Investment Centre (TIC), which promotes and facilitates investments within the country. Experience has shown that in the course of implementing their mandates all these stakeholders have sometimes contributed to the confusion regarding land and mining rights. Recently (March 2007), the minister responsible for minerals admitted this challenge and advised that it would be worthwhile for mining investors to visit the areas they wanted to conduct their operations in, meet local authorities and even the local communities owning or using the land to minimise the potential of conflicts over the land in question.²³ According to law, mining rights override all other rights in an area.

7.5.2 Global politics and gold politics

As argued previously, gold production is a global business affecting and affected by political interests and considerations both internationally and locally. In the case of Bulyanhulu it is apparent there was a role of international politics whereby some leaders from some nations influenced, coerced or convinced a government to act in the way it did. This might explain why the government of Tanzania (state) disobeyed its own institutions violating laws, rules and procedures. In this case the political and economic interests of the few clearly overrode rationale and interests of the nation.

²³ *Ibid.*

7.5.3 Development and Environmental Narratives

When the small-scale miners were being evicted, one of the justifications given by the government was that large-scale miners would bring in more money for the country, and that small-scale miners were destroying the environment. However, his view is not shared by all parties. In *Mining and Environmental Issues Under Structural Adjustment Programmes in Tanzania*, Bagachwa and Limbu (eds.) (1995) write:

‘Most experts are content with the view that small miners are environmentally destructive, and they seem to suggest that the only way out of this situation is to substitute them with larger ones. This view is based on the political considerations underpinning particular economic interests rather than on an actual understanding of the processes taking place on the ground. It is true that small-scale mining endangers the environment, health etc. But in some instances, as is demonstrated in the case of Mahenge, under the present arrangements *large scale* mining is even more damaging’ (emphasis supplied) (p. 252).

In his speech to the Deputy Minister for Energy and Minerals when he visited Geita District on January 20th, 2006, the District Mining Officer reported that between January and December 2005 Geita Gold Mine (GGM) mined 22,340.299 kg of gold earning TZS 300,381,232,262.00 (USD 254,629,418.37), while small-scale miners mined 54.772 kg of gold earning TZS 389,328.438, 30.²⁴ A simple calculation shows that small-scale miners earned approximately TZS 7.1m per kg, while the large-scale miner earned TZS 13.4m per kg. On average, the company produced about 1,861.691 kg of gold per month, while the small-scale miners managed only 4.564 kg per month. However, if one compares the money earned by the two groups in relation to their volumes of production, one can appreciate the role of the small-scale miners on the national economy.

According to the Small-scale Miners Committee at Bulyanhulu, between October 1992 and January 1995, which is before the eviction, the small-scale miners were able to produce an average of 351 kg of gold per month on average which was sold to the local banks.

²⁴ Taarifa Fupi ya Wilaya ya Geita kwa Naibu Waziri wa Nishati na Madini, Mhe. Lawrence K. Masha (MB), Tarehe 20/01/2006

Before liberalization of the mineral sector, about 80 per cent of mineral export came from gold mined by artisanal miners and the sector contributed 15 per cent of GDP, whereas after liberalization and heavy industrialization, the contribution of the sector is less than 4 per cent (Dreschler, 2001; Bagachwa and Limbu, 1995; MEM, 1997; Tanzania Economic Survey, 2004; 2005).

A study by Christian Aid on taxation in mining presented at the 2007 World Economic Forum (WEF) at Davos, Switzerland, revealed that despite the global commodity boom over the past three years, African governments are missing out in increasing tax and royalties, and in some cases actually receiving less revenue from mining companies than before.²⁵ The report showed that although production of copper, gold, nickel and platinum soared, the Tanzanian government's revenue from gold fell by nearly a third once the rise in prices has been factored in. Zambia saw revenues from copper halve. Christian Aid blamed the International Monetary Fund which pressurised governments such as that of Tanzania to liberalize the mineral sector on advantageous terms to multinational mining firms.

7.5.4 Winners and losers

At this juncture, it is worth pausing and asking who have been the winners and losers in this displacement in a globalising environment. It is a truism that globalisation opened Bulyanhulu and its mineral resources to the world. However, as soon as the doors were opened these resources became 'more accessible for those who have the economic, political, technological and cultural power to control their extraction, distribution and use, while the individual or community may experience increased insecurity over resource control' (Granfelt, 1999, p.2).

The above quotation captures what befell the mining community of Bulyanhulu. No doubt they are the losers in this game, while the large-scale investors have become

²⁵ *Western bankers and lawyers 'rob Africa of \$150bn every year': Africa kept destitute as western firms shift cash to tax havens.* By Nick Mathiason in Nairobi. *The Observer*. Sunday January 21, 2007.

winners. And as Paehlke (2003, p.13 put it, 'In today's globalised economy the "winner-takes-all phenomenon" has become pervasive.' In fact, at least two respondents at Bulyanhulu said they feel that they have become victims of mining investments in Tanzania, charging that for an area to have minerals discovered it is more of a curse than a blessing.

7.5.5 Whose development counts?

It is also possible to interpret the events of Bulyanhulu on the argument that the decisions were taken by bureaucrats and/or politicians who defined development in the terms and understanding that were different from those of the mining community. The executive arm of the government thought that by replacing small-scale miners with large-scale investors, the government would get more revenues which could be used to finance national development. But it is obvious now that this exchange as it were, has made the individuals in the mining community less developed, or simply poorer. It was, therefore, the question of national development versus private and/or community development. The question that begs is *Whose development counts?*

McDowell (1996) quotes a 1975 publication by Adam Curle, who asked, 'How much suffering for how many can be justified by how much good for how many?' (p. 95).

The quick answer to this question would be based on the idea of 'public interest', which includes 'investments of national interest'. However, according to Professor Issa Shivji²⁶, 'public interest is a vague and wide term opening to abuse.'

As a conclusion to this chapter, the study has been able to identify a number of issues in relation to development-induced displacement, and in particular to what could be referred to as mining-induced displacement that is increasingly taking place in Tanzania. It is noteworthy that the government has acknowledged some of the challenges and has started taking some steps towards addressing those issues and challenges. Top government

²⁶ Prof Issa Shivji is a retired law professor from Tanzania, and an authority on constitutional and land law. See his paper presented to the Parliamentary Committee for Finance and Economic Affairs Workshop on the Bills for the Land Act and the Village Land Act, Dodoma, 26th – 28th January, 1999.

leaders have been urging the mining companies to collaborate with the local communities in which they are operating, and the government is in the process of reviewing and renegotiating contracts with some of the large-scale mining companies.

The government, with the support from the World Bank has also started the process of formulating the National Resettlement Policy. Recognising the role played by artisanal miners, a programme is being designed which will try to identify, organise and assist small-scale miners throughout the country. The five-year programme is known as Sustainable Management of Mineral Resources in Tanzania.

To conclude this chapter, I tend to agree with McDowell (*Ibid.* p.96) who says, ‘When local communities resist the state’s efforts to resettle them to make way for development projects, they call into question not only reigning models of development and resource exploitation, but also the state’s right to define local terrain and priorities.’ And in my view, they also challenge the notion of public interest.

CHAPTER EIGHT

CONCLUSIONS AND RECOMMENDATIONS

8.1 Introduction

In this thesis, I set out to explore the livelihoods of a local community displaced by an international, large-scale mining project. In the preceding chapters, I have provided the background to the eviction and displacement; described the current livelihoods of the displaced; outlined the role and influence of different stakeholders on the outcome of the displacement, and drew out some key lessons from the displacement. This chapter is devoted to drawing conclusions and recommendations for future actions. It ends with a suggestion for further studies.

8.2 Conclusions

On the issue of livelihoods of the displaced persons, the study has found that the displacees were of the opinion that they were poorer now than they were before the displacement, both in terms of income and non-income indicators. In short, displacement has contributed to their impoverishment. In this study, the impoverishment was expressed in terms of less land available to the population, decreased gainful employment opportunities, lower quality of shelter, increased food insecurity, lack of access to common property and disruption of social networks following community dispersal. As mentioned before the eviction, the average income among the community was six times higher than the neighbouring non-mining communities. This finding seems to support evidence from other studies elsewhere which showed that displacement tended to result in impoverishment or deterioration of quality of life among the displaced.

On the issue of stakeholders, the study identified the major actors in the displacement as the government, the mining community, and the large-scale mining investor. However, there were other actors who, although may not appear as visible as these three, influentially participated, through action or inaction, in the process and outcome. These include the World Bank Group, donor community, local politicians, civil society, and the media.

The different roles played by these actors also reflect the power relations, and contestations and struggles over meanings and resources among the actors.

There are a number of lessons that could be drawn from this thesis as far as development-induced displacement at Bulyanhulu is concerned. One of them is that some communities can challenge the view that is becoming prevalent in Tanzania, of looking to the government, donors and foreign investors as the providers of community development. The displaced people were categorical that, providing they owned resources such as land and markets for their produce were available, they would spearhead and achieve their own development, rather than waiting for the government or investors as they had constantly been encouraged into believing.

Another lesson is that, people, in general, subscribe to the view that land belongs to the state. However, it is difficult for them to let go of the land unless they are fairly compensated. All of the displaced charged that the centre of contention was compensation. As I have shown from copies of various media articles, most of the conflicts between mining communities and large-scale investors are centred on the question of compensation. The example from the Songosongo Natural Gas Project, in which people felt that they were fairly compensated, attests to this proposition.

For its part, the government seems to be more aware now of the fact the current laws, policies, procedures and or practices governing large-scale mining have contributed a great deal to the land conflicts with, and complaints from, local communities around the mining areas. Increasing complaints from the general public, but especially from members of parliament and politicians from opposition parties, human rights activists and the media, have apparently helped in influencing this recognition.

Although it can be considered as an isolated case, the use of violent means by the members of the community at Bulyanhulu in February this year, against the property of the mining company, sent a strong signal to the government that it has to act quickly to remedy the situation before it gets out of hand. At the time of writing, the government

and Kahama Mining Corporation had agreed that Kakola village, which was within the mining lease, should be ‘taken off’ the land owned by the company.

Using Political Ecology as the guiding theory, I have been able to argue that the events that happened ten years ago at a rural community in Tanzania are part and parcel of the globalisation process, one which is dominated by movement of capital from the developed world to the developing world, but flow of profits from the latter to the former.

The resistance by the mining community and the current situation where the displaced community questions the promised development bring into focus the question of whose development should matter to warrant what may appear as curtailing of another’s development. Is this a question of national development versus individual and community development?

I consider this study as a contribution in the area of development studies, where, often times, there are no simple answers to complex questions, and sometimes, there are neither right nor wrong answers.

8.3 Recommendations

In my view, the government has acknowledged the weaknesses present in various legislation and policies with regard to mining development in the country. What needs to be done is to review those instruments, sooner rather than later, with a view to formulating them to fit with the present-day realities.

One major area that needs to be addressed is the criteria and rate of compensation to the displaced persons in mining areas. The current criteria for compensation are based on surface land development, and normally this implies farm or building development. But with small-scale miners, land development could be done underground. It is hoped that calls to give value to what is contained underground, and not only on the surface, would be heeded.

Investors working in mining communities need to develop good relationship with those communities around them to avoid negative perception. Although Kahama Mining Corporation has contributed to some social development projects in the area (and beyond), it appears that there is room for improving this collaboration for the mutual benefit of both the company and the community.

8.4 Suggestions for further studies

Tanzania is teeming with minerals most of which are yet to be explored and exploited, and it is likely more deposits will be discovered in the foreseeable future. At present, there are a number of exploration and exploitation taking place. At the same time, some mining companies are holding vast lands deemed to have potential for exploration and subsequently mining. Considering the fact that in most cases people living around the mining areas would have to be resettled to allow for the large-scale mining to take place, it would seem that there will be more mining-induced displacement in Tanzania in the foreseeable future. I would therefore suggest in-depth studies on how best to deal with or prevent conflicts between large-scale mining investors and small-scale miners and their local communities. Such studies should preferably come up with concrete suggestions on achieving peaceful co-existence between large-scale investors and small-mining communities. The studies should provide actionable recommendations on how to achieve a win-win solution.

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APPENDICES

Appendix 1: Interview Guide for Affected Members of Community

1. Confirm presence of respondent during eviction
2. Get their background
3. Ask for description of the eviction process
4. Focus on elements of livelihood owned or enjoyed *before* the eviction (land, home (house), job, food security, common property, social networks) and quality of life then
5. Focus on elements of livelihood owned or enjoyed *after* the eviction (land, home (house), job, food security, common property, social networks) and quality of life now
6. Ask about their major concern currently

Appendix 2: Key Issues for Focus Group Discussion

1. What is their major concern after the displacement?
2. What is their view of development?

Appendix 3: Police reports on incidences of land conflicts in some districts 1996-2006

Police District	Period	Parties involved	Cause of conflict	Severity (and frequency)
Manyara	1998	Villagers from two bordering districts (Kiteto and Kilindi)	Village boundary	1 death
	1999	Farmers and herders from two bordering districts (Kiteto and Kondoa)	Boundary between farmland and pastureland	1 death, 1 police injured by bullet
	1999	Farmers and herders from two bordering villages	Boundary between farmland and pastureland	7 deaths
	2002	Farmers and herders from two bordering districts (Kiteto and Kondoa)	Boundary between farmland and pastureland	1 death
Babati	2002	Large investor (commercial farmer) and villagers	Land ownership dispute	3 deaths, 4 injured
	2006	Large investor (commercial farmer) and villagers	Land ownership dispute	No incident yet (case still being addressed by District Commissioner and Ministry of Lands)
	2006	Tarangire National Park and villagers	Land ownership dispute	No incident yet (case still being addressed by Ministry of Natural Resources and Prime Minister's Office)
Simanjiro	1998	Small-scale miners and Large scale-miners (foreign investor)	Dispute over tanzanite mining rights	11 incidences; several injured and property destroyed
	1999	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of	6 incidences; several injured and property destroyed

	2000	Small-scale miners and Large scale-miners (foreign investor)	the investor Small-scale miners invading the mining area of the investor	41 incidences; several injured and property destroyed
	2001	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of the investor	12 incidences; 2 deaths, several injured and property destroyed
	2002	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of the investor	6 incidences; several injured and property destroyed
	2003	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of the investor	28 incidences; 4 injured and property destroyed
	2004	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of the investor	20 incidences; property destroyed
	2005	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of the investor	14 incidences; property destroyed
	2006	Small-scale miners and Large scale-miners (foreign investor)	Small-scale miners invading the mining area of the investor	13 incidences; property destroyed
Nzega	2006 (October-November)	Small-scale miners (at Mwanzwilo village) and Large scale-miners (foreign investor)	Dispute over mining rights	No incident; (small-scale miners evicted peacefully by government)
Igunga	2006	Small-scale miners (at Ntobo village) and Mining exploration company	Small-scale miners invading the mining area of the investor	No incident; (small-scale miners evicted peacefully and exploration continuing)

Korogwe	1996-2006	Small-scale miners and Large scale-miners (foreign investor)	Dispute over mining rights	1 death
Singida Rural	2006	Villagers (at Mang'onyi) and foreign mining company	Dispute over compensation for land taken by investor for exploration	No incident; (aggrieved villagers have sued the investor, village government and the district council)
Tarime	1996-2006	Different clans (tribal clashes) Small-scale miners and large-scale miners (foreign investor) Villagers and large-scale investor	Land dispute Dispute over mining rights Dispute over mining rights	16 deaths, 9 injured 3 injured 3 deaths
Musoma Rural		Small-scale miners and large-scale miners (foreign investor)	Dispute over mining rights	4 injured

Appendix 4: Newspaper articles

Guardian, July 19, 2001. *Mining activities: what is wrong?* (editorial)

Guardian, July 27, 2001. *Tarime villagers invade gold mine.*

Daily News, July 31st 1996. *Government orders out Bulyanhulu miners*

Daily News, March 9, 2007. *VP cautions on disputes*

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Canadian gold firm accused of killing villagers

Top Govt officials named in the brutality

By Victor Karega

HUMAN rights activists and leaders in Tarime District, Mara region, have asked President Jakaya Kikwete to sack and bring to justice top government officials in the region for collaborating with Canadian mine owners to kill innocent villagers who are artisanal miners in the area.

This followed a series of brutal killings of innocent civilians by Police and security guards of Barrick Gold Corporation, the latest victim of this brutality being Kieva Yahana. He was shot five times in the back by a mine security guard outside the North Mara Gold Mine in Tarime District two weeks ago.

The acting executive director of the Lawyers Environmental Action Team (LEAT), Tundu Lissu, Tarime MP Chacha Wangwe and Nyamongo Ward Councillor Augustino Sasi, said in a joint statement issued in Dar es Salaam last week the killing was "another example of uncontrolled human rights abuse."

The statement pinpointed top government officials allegedly covering up the minor as regional commissioner for Mara, Isidore Shirima, regional police commander, Kapita Mwaruka and Tarime District commissioner aschal Mabit. The killer of the villager was identified as Chacha Meng'anyi, a Barrick Gold Corporation security guard.

The death of Yohana brings to six the total number of innocent villagers killed in cold blood by the mine security guards and the police force in the district since July last year.

Councillor Sasi explained that in April, this year, when the Corporation's security guards killed a villager, Shirima and Mabit went to Nyamongo area and warned residents against any continued Opposition to the mining activities of Barrick Gold Corporation in the area.

LEAT has also called for the resignation of the director of criminal investigation, Robert Manumba, and the sacking of

Mwaruka for "their involvement in this brutality."

Speaking on behalf of LEAT, Lissu said Manumba had been blaming "unnamed politicians for inciting the villagers who were opposing Barrick Gold's mining operations in the Nyamongo area.

He alleged that Manumba was part of the police team led by assistant commissioner of police Mahmoud Shomvi that tried to cover up the killing of dozens of artisanal miners at another Barrick mine at Bulyanhulu in Kahama District in August, 1996.

Lissu said LEAT, working in collaboration with other human rights NGOs in Tanzania, would soon launch an international campaign of solidarity with the Nyamongo people to press for justice, and bring an end to corporate and police impunity.

"We shall take this struggle for justice and for protection of human rights to the international arena. We shall demand action from the Canadian Government and seek solidarity, support from the Canadian people and around the world," said Lissu, adding that they intend to publish "the names of all those involved in the shedding of innocent blood."

He disclosed the six villagers from areas around the sprawling mine who were shot dead between July 20, 2005 and June 1 this year as Marwa Nyansinge, Bhoke Maseke, Kubyo Nyahegere, Chacha Bimo and Kieva Yohana.

Another unidentified resident of Mkomalilo village in Bunda district was also shot dead near the Barrick Gold airstrip at Kewanja village on September 5, 2005, and was buried in an unidentified location.

North Mara Gold Mine is owned by the Canadian mining giant Barrick Gold Corporation of Toronto, Ontario, which took over from Australia's East Africa Gold Mines/Afrika Mashariki Gold Mines Limited (EAGM/AMGM) in 1993.

Since the takeover by Barrick, there have reportedly been a number of local people killed in the struggle to control the mines, as well as forceful evictions, which also saw Sasi, the then village chairman and CcM Village Conference member, receiving a thirty-year prison sentence.

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American mining audit company eating up 60pc of govt royalties

FURY: Alex Stewart's fee, in addition to an upfront payment of \$1 million, is set at 1.9pc of all gold exports, whereas mining companies' royalties are set at 3pc

By A STAFF WRITER
The EastAfrican

Awave of indignation is sweeping through the newly elected government at the revelation that the technocrats who negotiated Tanzania's current agreements with multinational mining companies committed the country to lopsided contracts that granted the former generous advantages at the expense of the national interest.

What angers MPs most is that, to add insult to injury, the fees paid to an American firm that was contracted to audit the activities of the \$2 billion mining industry — Alex Stewart (Assayers) Government Business Corporation of Washington DC, USA — currently consume two-thirds of what the government earns in royalties from the mining companies.

It has emerged that the firm's fee, in addition to an upfront payment of \$1 million, is set at 1.9 per cent of the market value of all gold exports from the country, whereas mining companies' royalties are set at 3 per cent of gold exports.

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TALK TO KONY, SAYS US BUT UGANDA SUSPECTS MACHAR DEAL



It thinks the LRA has become a "factor" in a power struggle in Southern Sudan
News, Page 6



Critical mineral talks start

By CHARLES KIZIGHA

THE government and representatives of big mining companies yesterday met behind closed doors to deliberate on how the two parties could equitably share proceeds from the country's vast mineral resources.

Sources told the 'Daily News' that the government delegation was led by the Minister for Energy and Minerals, Dr Ibrahim Msabaha, and that the meeting was chaired by the Permanent Secretary in the Ministry of Planning, Privatisation and Empowerment, Dr Enos Bukuku.

The companies present included Anglo Gold Ashanti, Barrick Gold which owns North Mara, Bulyankulu and Tulawaka Gold mines, Resolute Tanzania, Kabanga Nickle Company, Williamson Diamonds and TanzaniteOne. It was not immediately clear who represented them.

Other cabinet ministers including Dr Mary Nagu for Justice and Constitutional Affairs, Dr Jumanne Maghembe, Labour and Youth Development, John Magufuli for Lands, Housing and Human Settlements Development and Deputy Minister for Energy and Minerals, Lawrence Masha sat at the opening speech by Dr Msabaha but left soon after. However, several technocrats stayed behind.

The government side, it was learnt, presented to the miners for discussion several issues which have been at the

core of contention including the payment by of the 30 per cent corporation tax which they currently don't pay. The exact agenda was not known but sentiments also have been high to raise the mining royalty to at least five per cent. The companies pay only three per cent royalty at present.

There has been a huge cry from members of the public for 50-50 sharing of proceedings, local procurement by the companies of some of the consumables, more social accountability and payment of dollars 200,000 levy to district councils in mining areas. There have also been cries for greater transparency in the entire sector including making readily available all the relevant data and information on mining.

Feelings were also high that the country was being dealt a raw of mineral branding. Gemstones like tanzanite, found only in Tanzania throughout the world, were being labelled as exclusive South Africa exports.

People also wanted ore not sent outside for trace mineral refining, a range of which are never accounted for nor documented in the country's official exports.

A case in point is ore from Kahama exported to Japan for processing. It is believed to contain uranium, copper and zinc, all of which feature nowhere in official exports from Tanzania. The understanding was for the Bank of Japan to keep sale records but observers say data was not easily available.

The meeting was far from being final or conclusive. The companies will have to brief shareholders abroad and it will take several rounds of negotiations before a firm deal is struck, industry observers concluded.

State wants shares in mining firms

By CHARLES KIZIGHA

THE government has proposed to have shares in large-scale mining companies, better terms of compensation to locals, establishment of a fund for environmental rehabilitation and scrapping tax holidays, it has been reliably learnt.

The proposals were part of a 15-point government consultation checklist with large scale miners last weekend intended to come up with recommendations for equitably sharing proceeds from mining.

State participation would be in form of developing infrastructure at mining sites. Currently miners do everything.

The government also wants compensation to people moved to pave way for mining activities to be pegged to the value of mineral

exploitation over a period of time instead of being paid once on the basis of what was evaluated on the ground.

Also, large scale mining companies should contribute to a fund to be administered by a government agency for environmental rehabilitation due to mining activities.

The government further wants 30 per cent corporate tax paid at the start of production and not after recovering investment costs. It is also being proposed that withholding tax be increased.

The government was ready to abolish 5 per cent import duty on mining plant and equipment but wants local government levies increased. Miners currently pay a flat rate of dollars 200,000 a year to district councils of mining areas.

On the other hand, the government has suggested that when a mining company sells its shares to another company overseas, stamp duty must be paid in Tanzania and the Tanzania Revenue Authority (TRA), the Ministry of Energy and Minerals must be informed.

A similar proposal applies to

banking and foreign exchange transactions for purposes of transparency and to enable the government to make assessment on them.

The government proposed that the mining companies should increase the number of Tanzanian employees and establish periodic audits on that score and encourage use of locally available items.

"The government wants bonus to be given to companies which excelled in buying more Tanzanian goods and services on the basis of a study it conducted on 'score card system' of South Africa.

Other areas of negotiations on the list included ring fencing, value added tax, fuel taxes, and depreciation and additional capital allowance. The government proposed the 100 per cent depreciation on capital should be lowered, the sources said.

Sources said the large scale miners expected to receive formal proposals from the government today. "We have to finish our work within 30 days and meet with government officials to agree on all issues it raised and move forward," the sources said.

Msabaha orders compensation to villagers

By Guardian Reporter, Musoma

THE government has issued a seven-days ultimatum to Buhemba Gold Mining Company to compensate people whose houses were demolished by the company in the course of acquiring the Buhemba mine.

The Minister for Energy and Minerals, Dr Ibrahim Msabaha, issued the ultimatum during the weekend when he visited the gold mine.

The Minister had made a tour to the mine in order to resolve the simmering dispute between the villagers living around the mines and the mining company.

"I want you to convene a meeting with the villagers as soon as possible. I also want you to resolve this conflict within seven days," Dr Msabaha ordered.

He also directed the Commissioner for Minerals, Paul Masanja to make a follow up of the matter closely.

The Minister had issued the directive following a complaint from one of the affected villagers, who told him that their houses were demolished to pave way for construction of the gold mine.

The villagers said that they were yet to get compensation from the mining company.

Dr Masabaha urged the management of the mining Company to establish friendly relations with the villagers, because they were their host.

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National News

Nzega villagers tighten noose on Govt

BY UPENDO MINJA

•They want compensation for their land

THE Group of small miners from Mwaluzwolo village in Nzega district, Tabora region have urged the Government to make an official statement concerning their compensation claims on their area that was given to a foreign investor.

Speaking to the press in Dar es Salaam yesterday, the Chairman of the group, Jembe Kumege, said for sometime now they have made follow ups on promises given by Government leaders including former President Benjamin Mkapa, but to no avail.

He said Mwaluzwolo villagers were benefiting much since they discovered gold in 1987.

They started to mine the gold and earned their living from the activity.


He said villagers said since they were forced to leave the area in 1996, they have not received a single cent as compensation.

"We were about 1617 villages who were forced to leave that land and left our houses and farms and no one has received compensation since then," he said.

He went on to say that the villagers do not benefit from the undertaking of the new investor despite the fact that the area is rich in gold.

They called upon the President to respond to their cry and issue a statement on whether or not they are going to be compensated.

Free Inside Magazine



Mark Bonani

Patronable
Calm in
the face of
adversity

Top-secret mining audit reveals loss

By Joyce Kisaka

A confidential audit of mining companies' financial books reveals for the first time the closely guarded details of the highly secretive industry.

The audit of three out of the six big mining companies by UK's Alex Stewarts Assayers spotlights discrepancies that could have cost Tanzania millions of dollars in tax revenue.

In one such instance, the audit reports that Geita Gold Mining Limited (GGML)'s "declared accumulated tax losses of US\$193 million up to December 2003 is reduced by an estimated US\$158 million, making their allowed accumulated tax losses to be US\$35 million only."

What this means is instead of the company carrying forward tax loss of US\$35m, which would be offset by profit of the following year, the company carried forward a hugely inflated figure of US\$193 million. Thus, by offsetting against the profit of the following year, profit declared in the year 2004/2005 was much less than the actual figure. The tax thus paid to the government was much less than what should have been due.

The 2003 audit report, made exclusively available to Sunday Citizen this week, is the first to record the full audits of the country's mining companies.

Asked why these companies were never audited before, the Energy and Mines minister Dr Ibrahim Msabaha said the contract with miners didn't comp this and the companies did not want to be audited. "These people said they never be audited, this is the first tin but now we are very serious, from now on the auditing will be carried out," he stressed. He said auditing will help the government to assess and determine the tax the

...continued on page

MPs decry minerals smuggling

From SOSTHENES MWITA in Dodoma

MEMBERS of Parliament have complained that foreign investors in the mineral sector smuggled huge amounts of minerals or simply paid a pittance to the nation.

Some MPs demanded that the matter be probed while others wanted the foreigners kicked out.

Ms Dorah Mushi (Special Seats-CCM) did not see any benefit in according 25-year contracts to foreigners excavating for the highly expensive and lucrative tanzanite at Mirerani.

"These people transfer our mineral wealth to their own countries," she said.

She added that the investors, who she claimed hardly have the interest of the nation at heart, do virtually nothing to help the local communities that surround the mining areas. "Mirerani has no roads, water or schools developed by foreign miners who are busy plundering our wealth," she lamented.

Mr Chacha Wangwe (Chadema-Tarime) accused Africa Mashariki Gold Mines of stealing unspecified amounts of gold from Tarime on the ruse that they were still prospecting. "Locals in the area discovered the gold long ago, why prospect?" he queried.

He told the House that the so-called prospectors were at loggerheads with locals and that skirmishes over land were frequent. Mr Wangwe said the foreign miners "intrusion" into village land was "a case of criminal trespass."

Mr Ezekiel Maige (Msalala-CCM) told the House that power supply in Kahama town was short although the place was expanding fast and was a wealthy business centre. He said more than 1,000 applicants were waiting for the service.

The legislator complained that business people imported "too cheap" electric fittings and appliances from bogus manufacturers who simply imitated successful producers. He said the poor equipment and fittings were "power guzzlers" and dangerous to users.

He advised the government to help defunct local factories such as Tanalec and Tanzania Cables to resume production of quality electrical goods. He said the companies were famous for producing high-quality electric components that were also affordable.