

African towns decline when miners exit

By [Penda Diallo](#)

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The town of Fria in Guinea was built around bauxite mining in 1957. It used to have good facilities: water, electricity, schools, housing and hospitals. But since the last company mining there began to decrease activities in 2008 after the financial crisis and a fall in aluminium prices, the population has increasingly lived in poverty with high rates of unemployment. Families that used to provide for their extended families cannot today afford to care for the needs of their own children and immediate relatives.

In 2009 Julien Brygo, a French photojournalist, [wrote](#):

“ Many of the benefits the locals used to enjoy are being lost. While accommodation remains free, the children’s nursery is closed, the swimming pool, athletics tracks and sports stadium have fallen into disrepair, water and electricity are now rationed. The Pechiney hospital, as the locals still call it, long recognised as the best in Guinea, is no longer regularly supplied with medicine. ”

Russian parent company RUSAL finally closed the mine in 2012. The move left more than 1,000 permanent employees and 2,000 outsourced workers [without pay](#). One resident [spoke of](#) a starving population who were “selling their property, their homes, and plots of land and even furniture to survive”.

Fria’s sad decline is because it is an “enclave”, a town built to respond to the needs of a refinery, run by a succession of companies before RUSAL took up operations 16 years ago. It is just one of an increasing number of makeshift towns built around rural mineral extraction sites in African countries including Angola, Equatorial Guinea, Chad, Sudan, and Nigeria, which are being driven by growing [foreign investment in mining](#).

These new urban developments are sustained, managed and controlled by the mining companies. And although the nature of these towns vary between countries and what is being mined, they all share some common characteristics. They are all administered by foreign companies in accordance with the norms of “home” states, such as the US, France and Australia, and mostly managed by foreign nationals – with heavy support from outside investment.

It means these enclaves develop economies that are totally disconnected [from the wider realities](#) of the host countries. And in the case of Fria, the danger is that when mining activities stop, the people living there are left in extreme poverty with no alternative livelihoods.



Dry swimming pool. Author provided

Sharing the benefits



The Fria mining site. Author provided

Despite slow economic growth in Guinea between 1958 and 2008, the mining sector is the largest contributor to the state's export revenue and its most stable source of tax revenue. In 2008, Bauxite – the main source of the world's aluminium [accounted for](#) about US\$596m (40%) of the country's total exports. Industrial mining activities [provided](#) about 22,000 direct full-time jobs and created over 50,000 indirect jobs.

And enclaves come with some advantages. In Guinea, for example, because high amounts of electricity are needed to extract alumina from bauxite, the enclaves benefit from 24/7 electricity. And although much of the highly skilled expertise is provided by expats from abroad, the mining sector still offers job opportunities to nationals, sometimes creating collaborations between mining companies and local education centres.

In Guinea, bauxite mining is [the second-largest employer](#) after the civil service. Then there are the jobs needed to run operations: drivers, technicians, engineers, cooks and security agents. And because many of those involved in operations are Western foreigners, the infrastructures are built to those standards and often health services are the best in the country.

In two other Guinean enclaves, Kamsar and Sangaredi, employees and their families live with 24/7 access to water and electricity, reliable healthcare, subsidised food, supermarkets, air conditioning, good schools, free housing, good roads and cultural spaces. Everything has been built to meet the standard of living expected by foreign expatriates. Though the state provides some security services and administrative officials, these staff, too, benefit from the lifestyle created.

But life in an enclave is totally different from that lived by the majority of Guineans outside of it. Less than 15 minutes' drive away and you step outside the enclave bubble and into the realities experienced by the majority of Guineans. Much of the population faces poverty with no access to basic infrastructure such as water, electricity and health services. Life in the enclaves is what the majority of Guineans would like to see the mining sector provide to wider society.

There are some formal and informal economies that crop up just outside the mining enclaves, which enable at least some other Guineans to benefit from the mining sector. For instance, outside of Kamsar there is a large market created to meet the needs of the mine workers and their families and which draws in local entrepreneurs from elsewhere in Guinea who want to take advantage of the higher salaries linked to the enclaves.

But after 50 years of development of the extractive industry, Guinean society as a whole is yet to benefit significantly from the revenues of its mining sector. And worst of all, when mining activities stop, it is the general population who have never benefited from the mining who also end up with environmental damage such as land degradation and pollution.

What's left?



Closed shop. Author provided

After the investment is gone, most of the services provided in the enclaves disappear as do the jobs. Towns like Kamsar and Sangaredi are still attractive now, but unless the government intervenes to make sure the rural economy is developed and unless mining revenues are more fully fed into the overall economy, these towns won't contribute to sustainable development in Guinea.

Talking to people in local communities near bauxite mining areas in Guinea, I found many expressed dissatisfaction about the division between those inside and outside the enclaves. It doesn't help that in Guinea, in contrast to places like Sudan, Nigeria and Angola, mining activities happen in close proximity to local communities, meaning company transportation passes through local towns. Some have resorted to addressing mining companies directly with specific demands for the development of their towns in return for the stability of mining activities.

Between 2007 and 2012, for example, mining firm [Compagnie des Bauxites de Guinée](#) (CBG) (part-owned by the Guinean government), was the victim of several [youth-led protests](#) in Kamsar demanding more support to improve their livelihoods. Protests lead to the temporary disruption of mining activities which in turn can lead to lost revenue for the company. To avoid the disruption of their mining activities, CBG told me in 2014

that it had responded to the youth protests by implementing several [community projects](#). One of these projects, "Toutes Petites Entreprises" was created to promote, support and sponsor local youth led enterprises and to ensure that the CBG offers job opportunities to youth living in neighbouring local communities. These initiatives have contributed to improving the relationship between CBG and neighbouring communities. But more remains to be done in order to ensure that mining revenues benefit wider Guinean society.

In order to avoid further clashes with local communities, mining companies such as CBG urgently need to work together with the state to ensure that profits from mining benefit all. And to prevent mining companies leaving ghost towns like Fria, plans must be put in place to promote the kind of economic development that will sustain the population long after mining has finished.

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