

SWELTERING HEAT, GOLDEN DREAMS: CHINESE GALAMSEY IN GHANA

By Yang Meng

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It is a sultry, humid Monday in Ghana. National military police wearing blue uniforms and black boots advance on a mine hidden in the depths of the Kakum National Park. When they are a kilometre away from the gold mine, they get out of their vehicles and proceed on foot over ground which has been compressed by heavy mining machinery. They turn past a road covered with banana leaves, and their field of view opens up: a work shed built of wooden planks towers in the centre of the clearing. The military police discover over 10 Chinese, all miners from Shanglin county in Guangxi province. All the facilities needed for work and life are present in this enclosed wilderness. The work shed has a generator, and Chinese cigarettes, toothpicks and scales have been placed on the wooden tables, and wooden gold-washing pools occupy the corners. Chinese workers lock the door and wash the gold here each evening. The freezer in the crude kitchen is crammed with Chinese cans and a frozen chicken. The workers' dormitory is a cramped space compartmentalised using wood, with mosquito nets on the beds. The military police find a hunting rifle under one worker's bed.

The lives of these Chinese workers are spent in the open air mine 200 metres from the shed. Previously part

of the Kakum Forest, it has been stripped bare. 4-5 large excavators are working, excavating a pit the size of a football pitch. Diggers pour the gravel onto a conveyer belt, where it is taken to a chute. A Chinese supervisor monitors three black workers who use hoses to wash it. Mud splashes everywhere and the surrounding sand has become extremely soft – when someone treads on it, their feet sink in immediately. After eight hours of constant washing, around 150 grams of gold has been produced by the evening.

The above description is of a film shot by a Ghanaian journalist who accompanied the military police on the raid. It continues: the military police herd everyone together, check their IDs, fill in forms, search the area, and accuse them of mining gold in Ghana illegally. Someone puts the gun in a miner's hand for a photo, and the Chinese remain silent. Afterward, the military police put them onto a truck bound for an Immigration service jail in the capital, Accra.

Over the last three years, Ghanaian law enforcement agencies have raided small gold mines operated by Chinese immigrants a number of times. In June 2013, Ghana took action on the largest scale ever, all but toppling the gold mining system the Chinese had

organised. Prior to this, Alhaji AB Inusah Fuseini, the Ghanaian Minister for Lands and Natural Resources, had claimed that illegal gold mining carried out by foreigners was damaging forests and water resources, and severely impacting the life of Ghanaians. He hoped to reveal those who were backing these illegal miners behind the scenes, and punish them severely in accordance with the law.

This attack toppled the enterprise undertaken by these Chinese migrants. In addition to his shed being burned, the 42-year-old mine boss, Su Zhenyu, whose mine was closed down in the police video, lost all of the equipment he had shipped to Ghana from China, which was looted. His machinery was impounded.

Along with a multitude of other miners from Guangxi who were expelled, Su Zhenyu returned to China in June 2013. Five months passed, things quietened down, and he chose to return to Ghana. Su is brave, he was one of the first miners from Guangxi to go to Ghana and mine gold. He is constantly expanding his enterprises in Ghana, and has married a pretty Ghanaian wife to boot.

One night in November 2013, Su Zhenyu, wearing Ghanaian clothes, was driving on the highway to Accra. When the sun set every day, the Chinese miners' covered trucks had driven back and forth along this road, transporting the gold they had mined that day, but not a shadow of them was in evidence now. After an hour, the car pulled into a wire-fenced compound in the port city of Tema; this is HANSOL Mining, Su's company. The company sign has been aligned vertically on the wall outside to avoid attracting attention. He turned the lights off, and all was still. "The Ghanaian economy will pay a price for the departure of the Chinese," Su says, "When the Chinese have all left, there will be no hope for this place."

"It isn't quite Mao Zedong's China"

According to estimates by local Ghanaian officials, as many as 10,000 Chinese gold miners have come to work illegally in Ghana in the last seven years. Ghana is Africa's second-largest gold producer, and gold has always been the country's most important mineral resource, even before Europeans arrived in the 15th century. The Europeans called Ghana the Gold Coast. In the past, the Portuguese, Spanish and Swedish have eyed Ghana's mineral reserves, and now it is the turn of the Chinese.

Most of the gold comes from alluvial deposits washed down the creeks and rivers of the central rainforests, as well as the sandy soil of the coast. The Ghanaians use shovels and their bare hands, panning for gold by

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the rivers. This crude traditional skill has been given a popular yet inelegant name, along with the gold panners themselves: *galamsey*. Now, *galamsey* is reserved for the Chinese gold miners who are seen as destroying forests and rivers. Chinese *galamsey* has brought a more efficient, rapid method of production. Where it takes Ghanaian miners a number of years to exploit a 25-acre mine, Chinese heavy machinery finishes the job in half a year. The Chinese want to produce high quantities, and pay little heed to delicate work. As soon as production drops, they move on. This has fundamentally changed the rules of the game established by the Ghanaian government to protect local *galamsey*.

Su Zhenyu is the solemn Chinese chairman of the Ghanaian Chinese Chamber of Commerce. As he relates it, the first Chinese in Ghana were Hong Kongers and Taiwanese, who tended to operate in textiles and catering. In the 1990s, a group of businessmen from Zhejiang province began to bring cheap Made in China products to Ghana. There were a few subsequent conflicts between locals and Chinese peddlers. Ghanaians accused the Chinese of taking away the livelihoods of local people, and the Chinese claimed that they were the victims of envy and were being squeezed out. Over the last seven years, a host of gold miners have rushed into Ghana, bringing advanced equipment, and – so many believe – damaging the environment. Gold mining has also led to a worsening security situation. The 2012 presidential elections saw competition between the ruling National Democratic Congress and the opposition, the New Patriotic Party (NPP). In response to the grievances of the electorate, measures taken by the ruling party to clear out illegal small mines became more serious.

The most substantial action was taken by a special presidential working group in which the immigration, mining, and environmental agencies all participated. They deployed military police on many occasions, closing mines and shutting down equipment on the basis that workers did not have valid identification documents and were operating illegal mines. Chinese mine workers were

sent to the Immigration Service.

Locals at Dunkua Market, where gold miners gather, are hostile towards the Chinese. But China has been the largest investor in Ghana for many years. The two countries signed a loan framework agreement worth US\$3 billion in September 2010. President Mahama has visited large-scale Chinese construction projects on a number of occasions, and has praised the economic contribution China makes to Ghana. According to Professor Adams B Bodo, a Ghanaian who is in charge of the postgraduate African courses offered at the University of Hong Kong, “China has invested a massive amount in the construction of basic facilities in Ghana over the last 10 years, more construction than Britain carried out in Ghana in the last 100 years.” The Ghanaian government has cautiously described its mine-clearing action as targeted at illegal small-scale mining by foreigners and not at the Chinese in particular. But everybody knows that the number of Russians, Filipinos, and Bulgarians all together is not equal to the number of migrants from Shanglin.

Chinese influence in African commerce, society, and culture is increasing constantly. The Chinese have brought substantial capital and surplus labour to Africa. This is bound to result in some losses for locals who did well previously, and this will naturally arouse some resentment. Where China and Africa were previously brothers in poverty, China has now become Africa’s teacher. China helped to construct Ghana’s National Theatre, the headquarters of the Ministry of Foreign Affairs and the Ministry of Security, as well as the China-Ghana Friendship Hospital, to which a medical team from Guangdong was dispatched. Previous aid was clearly inspired by ideological factors; now China’s strategy of ‘going out’ has increasingly pursued balanced economic gains. Africans are ambivalent. To African countries, China is not quite what it was in the era of Chairman Mao.

The Chinese have changed the rules of the game

The scent of gold pervades the air of Tema, where Su Zhenyu lives. By the sides of the red brick roads characteristic of Tema, the Chinese signs of Tema International Grand Hotel, Kinmen KTV, and Fengshou Farm Market can be seen, many of them Chinese businesses, and flourishing due to gold mining. The black doorman at the nightclub is extra polite to Chinese guests, using unaccented Mandarin to greet each with ‘boss.’ Gold mine owners gather to give toasts, and exchange the day’s news. Afterward, they go to the restaurant on

the second floor where they continue to drink tea and smoke cigarettes, reaching agreements between puffs to be carried out on the next day. The coming of the Chinese has brought new opportunities; a kind of Wild West boom has appeared across the whole city.

Seven years ago, Su Zhenyu and three compatriots from Shanglin signed an agreement to mine gold together in Ghana. It brought a wave of gold prospectors from Shanglin to Ghana. In 2010, people from Shanglin decided to start importing heavy excavators, which, together with the gravel-pumping technology they developed, increased gold-mining efficiency by a factor of 10 at a stroke. At first, they excavated 15 grams of gold per day, an amount which later rose to 150 grams. A crowd of people from Shanglin came to Ghana on tourist visas, and straight away came to work in their compatriots’ mines. In the wake of the increase in gold prices at the time, Su Zhenyu earned money, founded a company, and augmented his equipment. He purchased 800 square kilometres of land, and signed an agreement with people from Shanglin.



Security guards guarding a Ghanaian gold field.

Prospectors would work on his land, and pay 7,000 Ghanaian Cedis in land management and service fees, and 10% in royalties on profits earned. The company helps to arrange work visas and maintains a relationship with the Ghanaian government, and provides a guarantee of normal operations to shareholders.

The Chinese community has gradually expanded. There is a Shanglin Hotel in Kumasi, where gold prospectors gather. The owner, Monica, is also from Shanglin, and studied at a university in Beijing. Prices have increased in areas where people from Shanglin gather, stimulating consumption, and Ghanaians who work with the Chinese have benefitted and so are welcoming. But opposing voices have also become stronger. Mark Obeng, a scholar at Ghana University who studies Sino-African trade tells me, "Have you noticed? There's no Chinatown in Ghana. This is extremely rare in overseas Chinese communities. As there have been several conflicts between Chinese and Ghanaian businessmen over sales territory, the Chinatown arranged by the Chinese came to nothing." As the first African country to become independent, Ghana seems to have a subconscious scrutiny of outside influence.

The Ghanaian economy has achieved startling development over the last few years. GDP growth reached 14.9% in 2011. High scaffolding can be seen all over the bustling capital city, Accra. Accra Mall, the largest supermarket in west Africa, sits by the dust-blown highway. While it was constructed with South African capital, many of the goods on its shelves come from China.

After independence, Ghana's founding president, Kwame Nkrumah, led his country in a 'turn to the left,' nationalizing the gold mines. As a result of economic mismanagement and autocracy, Nkrumah's government was toppled in 1966. At the time, he was visiting Beijing. After this, the government of Ghana went through several shifts, then a relatively stable two-party system formed, and Ghana's economy gradually stabilized and improved. Ghana promulgated the Mining Law, which began to privatise the gold mining industry, in July 1986. A management agency for small-scale mining, which authorises individuals to operate small gold mines, was established in 1989.

The Ghana Minerals Commission is situated in a European-style garden in the middle of Accra. This commission is empowered to examine and approve mining rights. When I was interviewing the assistant manager of the small-scale gold mining department, Tetteh, he told me that the intention of Ghanaian laws which permit individuals to operate small mines was to

protect the livelihoods of the native traditional *galamsey*. The entry of foreigners into this sector changed the original intention of Ghana to protect traditional small-scale mining.

Ghanaian mining concessions are divided into large and small concessions, and foreign investors must raise a certain amount of capital to be allowed to open a mine; smaller concessions of less than 25 acres can only be given to Ghanaians. The law only permits foreigners to provide advisory services, funding and equipment to small-scale mines, not to directly engage in mining. Afterwards the Chinese established companies providing services to small mines, yet it was actually still the Chinese themselves who were doing the mining. The Ghanaian government discovered that foreigners were exploiting this policy, and so amended the law: after 2012, foreigners were not even permitted to provide services to mines.

Ghanaian land is privately-owned yet mines are nationalised; the laws stipulate that opening a small-scale mine requires that a Ghanaian go to the Minerals Commission to apply for a license, and obtain environmental assessment certification. There are instances of landowners claiming to own mines and completing the procedures, having signed contracts with Chinese miners. There are also Chinese miners who find tribal chieftains and landowners, give them a large sum of money, and move machinery into the forest and begin mining. Having taken the money, the chieftain or landowner moves farmers off the land. Such situations have become more serious and more common in the last few years.

The power of tribal chiefs decreased in the Nkrumah era, but their influence remains considerable; it is said that they are the guardians of the spirits and traditions, and may not participate in commercial activity, although many chieftains have taken part in the illegal businesses operated by Chinese miners. To this day, not a single tribal chieftain has been charged in connection with such deals. The law enforcement agencies fish for money from these small-scale mines, leaving without taking action after receiving discreet bribes.

Many Ghanaians have not faced up to the corruption and ineffectiveness of their own country, and have a parochial stance. They believe that the Chinese are plundering Ghana's most valuable resources. This feeling of resistance manifests itself in constant confiscation of Chinese mines, and also appears in the competition between Ghana's two political parties.

I asked Tetteh, an assistant manager at the Minerals Inspectorate Commission's department of small gold

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mining, why the first mine to be confiscated was the AKONTA mine, owned by the HANSOL Mining Company. Everybody knew that Su Zhenyu had hired a Ghanaian, Bernard, to serve as CEO. Bernard was a member of the opposition party, the NPP, and HANSOL Mining had been charged with providing the opposition with illicit funding. Was there political motive to the attack on this particular company?

He gave a short, clear answer: “No.” The Minerals Inspectorate Commission’s legal advisor, Afeku, added from the side that “it’s mainly because the number of foreign-operated gold mines is increasing, and has already gotten out of control.”

The Minerals Inspectorate Commission’s public relations officer, Abraham, emphasises that “the development of Ghana’s economy cannot be established on illegal industry. Small-scale mining degrades public security and exacerbates problems with the exploitation of labour; many students give their studies up to work in the mines, and agricultural production has been seriously affected; the amount of chemicals used to purify river water has already increased to four times the previous amount.”

“Foreigners have brought technology to Ghana, but large-scale machinery also destroys the forest exceptionally quickly.” Before the interview ends, Tetteh says with emotion: “Go and take a look at the water of the Pra River, where we’ve allowed mining, and your heart will break too!”

Gold prospectors: Beset from within and without

At the Ghanaian Immigration Service, Palmdeti, who is in charge of public relations, says that “between the end of May and the beginning of June 2013, we deported over 600 Chinese migrants, and at least 1,500 to 2,000 left of their own free will. Many of them had participated in illegal mining.” The figure provided by staff at the Chinese embassy is higher: 5,000-6,000 Chinese citizens returned to China, and around 1,000 prospectors remain

in Ghana at present.

Palmdeti is a big, mild fellow. He says that the ordinary Ghanaian’s view of Chinese people is that they destroy the environment when they come here. As he sees it, there is a well-oiled machine behind the influx of Chinese migrants. “Many of the Chinese have applied for a visa to go to Libya, they leave the airport with the help of locals when they’re transferring in Ghana, and have gone straight to the gold mines.”

There were some Chinese workers whose arrival was never recorded by the Immigration Service, yet they were provided with work visas. This implicated some Ghanaian officials. Four high-ranking Ghanaian immigration officials were subsequently fired or resigned; they were charged with taking bribes to approve work visas for migrants entering the country illegally. One of them was a bureau vice-head, and another two were the highest ranking officers in their regions. As Palmdeti says, “The officials who were dismissed took their posts up under the last government. Most people do their jobs honestly, corruption is currently at a manageable level.”

Most of the prospectors come from the same area: Shanglin county, Guangxi province. I went to Shanglin in June 2013. Shanglin is one of China’s poorest counties, and people there depend on gold mining to earn a living. Gold mining has brought environmental problems, and has been banned by the Chinese government. The surplus labour of Shanglin has moved to the eastern coastal cities to work as migrant labour; for many, going to Africa to mine gold means a return to their original profession. They’ve usually never heard of Ghana before they depart China, and they pay intermediaries large sums and borrow money to buy heavy excavation equipment, load them into containers, and ship them to Africa. As they invest all of their money in new equipment, migrants from Shanglin who come to Africa are later burdened with large debts no matter how much money they earn there.

The Ghanaian press depicts Su Zhenyu as a snake who buys and sells his own compatriots; they’ve discovered that virtually every Chinese migrant in Ghana has Su’s phone number. Su established the Ghana-China Mining Association in 2012, but miners who have been expelled claim that the Association only takes protection money and does not provide the promised protection. Liu Shujun, the Chinese Ambassador, says that it is illegal for foreigners in Ghana to mine gold, and so an association based on an illegal activity cannot be recognized. Su Zhenyu was beset from both within and without

simultaneously.

Su believes that he and other Chinese have been demonised: “Gold mines and individuals from Shanglin have come to Ghana to co-operate with Ghanaians; we have put money in people’s pockets, while the international mining companies put money in the government’s pockets. Now it is time to reshuffle the deck. To be blunt, the Chinese have been sacrificed.” According to the analysis of Wu Yuan, a researcher at the African Research Institute of the Chinese Academy of Social Sciences, in the past, the law was not strictly enforced in Ghana, but now stricter laws are being enforced. What’s more, many Chinese mines use guns to defend themselves, giving rise to conflict, and the ruling party is expected to strictly clear out illegal mines.

The misfortune of the people of Shanglin cannot but cast a shadow between Ghana and the Chinese. Su Yuehua, President of the Chinese Chamber of Commerce, says that China once assisted many countries in Africa, and is now investing in large projects. Many ordinary Ghanaians don’t see this, but only come into contact with illegal gold miners every day. Added to the fact that Ghanaians are very receptive to the views of Western media, this makes it very easy for negative feelings toward China to grow.

Su Yuehua believes that “there is nothing wrong with China’s strategy of ‘going out’ generally, but whether it can actually bring African countries new opportunities for development should be considered. China is currently active in Africa in large-scale resource projects, and can quickly strike deals in this area. But the beneficiaries of such projects may amount only to Chinese companies and a small number of Ghanaians. There are many small Chinese enterprises and individuals in Africa who live together with Africans. Investing in large projects wins battles but loses the war, while investing in 100 small enterprises is like supporting 100 private ambassadors, if they are encouraged to respect the law. There could perhaps be more opportunities for China to succeed.”

The story of Xu Qinwei, a Chinese resident of Accra, is typical. After the China-Ghana Friendship Hospital was built, it was turned over to Ghana, but the hospital suffered from operational problems, and the Ghanaians went back and asked the Chinese to solve them – aid has not yielded the most ideal results. Xu Qinwei, who ran a hospital in Shandong province, contacted the China-Africa Development Fund, hoping to invest in equity and purchase the hospital and improve its operations. The China-Africa Development Fund was originally very

interested in this combination of investment and aid, and both sides did a great deal of preliminary work. However, after Xu Qinwei invested millions in equipment and came to Ghana, the plan stalled. To this day, Xu is working in a hospital office in Accra.

The China-African Development Fund has invested in three projects in Ghana. US\$100 million in a tidal power plant in Tema, US\$33 million by Hainan Airlines to establish two internal flight routes, and US\$150 million to establish a steel pipe mill. According to Xu, “The founding aim of the China-Africa Development Fund was to support small-to-medium enterprises ‘going out,’ but it has ultimately supported large-scale resource projects. [This is] because the returns can be seen more quickly.”

“They aren’t grateful to us in the least”

Su Zhenyu engaged a team of lawyers, and filed suit at the Ghanaian Supreme Court, suing the law enforcement agencies for the losses incurred by his company due to the mine clearance on 3 June 2013. Part of the video shot by the reporter showing the military police setting fire to the shed became important evidence. In August 2013, the court found that HANSOL Mining had been in possession of a legal license, and that the military police was not permitted to enter the company’s areas of operation, but also recognised that the action they took had been authorised by the government. They eventually awarded HANSOL Mining 1,000 Cedis in compensation. This was not enough even to cover legal expenses.

Six months later, many people from Shanglin have already opened new fronts in Cameroon and Mali. A lot of heavy gold mining equipment has been shipped out of Ghana. There are also some dispossessed mine bosses who have decided to recover their losses, and are continuing to operate discreetly in Ghana. In my last few days in Ghana, I went to a gold mine where Chinese prospectors were continuing to operate.

This mine is a joint venture between the boss, Chen from Hunan province, and a few Shanglinese. At three in the afternoon, a covered truck drives out on the highway from Kumasi to Dunkwa. As they pass a highway checkpoint, a soldier carrying a rifle flags the truck down. He is wearing yellow earth-coloured camouflage and combat boots, and gazes at the four people in the vehicle: aside from the driver, who is Ghanaian, they are all Chinese. “Your ID,” he says quietly.

I pull from my pocket a sweat-drenched visitor’s visa, which I obtained from the National Ministry of

Information and Media Relations in Accra. I put on a stern expression and say “the Ghanaian government has permitted me to visit your country.” The young soldier glances at the visitor’s visa, tentatively reads my name, and lets us go with a wave of his hand.

Ms Zhou, boss Chen’s aunt, who is responsible for preparing food for the workers and providing them with the goods they need, is sitting in the back of the truck. She says that “we were lucky today, they didn’t ask for a bribe.” She can only speak a little English, and in order to make up for lost time, she tells the driver to “go fast!” The truck turns from the highway onto a narrow mountain road, and after passing a Ghanaian woman carrying a heavy load on her head, we arrive at a village near Obuasi. She points at the villagers surrounding a well and says, “We’ve already repaired three wells for this village, and the road, but they seized one of our machines, just wanting to get money from us. They don’t seem at all grateful to us.” At around half past five, when we arrive, the last washing procedure of the day is underway in the mine’s crude shed. The workers from Shanglin carefully extract the gold dust from the muddy pool. Spread out in the iron dustpan, all of the Chinese workers gather around. Someone says, “I see gold at this time every day, and feel that any amount of risk is worth it.”

The gold dust is drying atop the gas stove. Placed on the scale, it reads “144 grams.” According to calculations, if a piece of land this size produces 40 grams of gold a day, it recovers its operating costs. The mine boss’ girlfriend pours the gold dust onto a sheet of white paper, folds it over, and tightens it with an elastic band. The gold will be hidden somewhere unknown to outsiders, smelted into gold bars when a certain amount has been accumulated, then sold to an Indian in Kumasi. The dollars for which the gold is exchanged will be remitted to China through a traditional bank operated by people from Henan and Zhejiang provinces in three to four days.

After the washing of the gold dust has been completed, a few black labourers suddenly intrude into the corrugated-steel-ringed compound. The boss from Shanglin, Mr Tang, shouts and rushes out, ordering them to leave the compound immediately. The rule that only Chinese are permitted to be present at the last stage of washing is strictly observed. The black workers explain that they are only looking for some lost belongings in the yard, and the confrontation is resolved.

At eight in the evening, the truck returns to Kumasi from the mine. After a rough day, the energetic Ms Zhou drifts off to sleep in the back. After passing through a



Ghanaian gold panner.

small, winding, road covered by Japanese banana trees, a truck with lights on and three black occupants stops right ahead. The driver has clearly slowed the truck, seemingly wishing to talk to our driver. Boss Chen, sitting in the front passenger seat, becomes very tense. He uses English to give the driver an order: “Don’t stop! Go, quickly!”

With us scared witless, the truck is lost in the black of the night like a bird startled from the trees.

Later he says that on evenings when gold is excavated, bandits armed with guns often commit robbery on the roads Chinese gold miners must use, and that more than a few Chinese have fallen victim to them.