The Potential of Using the Africanisation Framework to Improve Outcomes in the Artisanal and Small-Scale Mining Industry of Rustenburg, South Africa

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Abstract

Attempts to formalise artisanal and small-scale mining (ASM) have failed in most areas where illegal ASM occurs. The purpose of this study was to determine the role of Africanisation in promoting the formalisation of the ASM sector of South Africa. Due to the acute lack of employment and other challenges associated with ASM, it is essential to ensure that the sector is appropriately formalised to allow communities to benefit fully whilst minimising any negative impacts emerging from ASM. In this qualitative exploratory research, data was collected using semi-structured questionnaires from 15 participants and was analysed using thematic analysis. It was found that the over-reliance on capitalistic ideals in allocating mining opportunities is one of the main reasons why past formalisation attempts have failed to produce desired outcomes. This is probably because there is poor communication between the state and the mining communities, and this means the aspirations of the communities are not considered when creating mining policies. The researchers, therefore, proposed an alternative approach to govern the mining sector, and this approach takes advantage of the tendency of Africans to work as communities. This approach is based on the idea of Africanisation. Facilitating the exploitation of mineral resources by communities rather than individuals, as is the case in capitalistic societies, will help empower communities since the mining enterprises will benefit more individuals and proceeds from the mining enterprises will help stimulate local economic development.

1. INTRODUCTION

The artisanal and small-scale mining (ASM) sector continues to offer millions of people, particularly the poor in the developing world, a viable option to earn livelihoods (Schwartz et al., 2021). Governments and multilateral organisations have since realised the positive socio-economic outcomes associated with ASM and are increasingly becoming tolerant of the practice (Luning, 2014). This contrasts with the hawkish stance adopted in the 1970s characterised by attempts to ban all forms of illegal mining, most of which are artisanal and small-scale in nature (Wireko-Gyebi et al., 2020).

Unfortunately, the sector faces many challenges that limit the positive impacts it has on the livelihoods and economic development of the individuals involved and their communities. These challenges include, among other things, poor occupational health records, high crime rates in ASM areas, selling of mineral products at prices that are lower than on the formal market through intermediaries, and child labour. These challenges effectively lock the ASM miners in a poverty trap (Figure 1) characterised by low production and exploitation.

It is often argued that most of the challenges that AS
miners face are because they often operate on the fringes of the law. This has led some developmental scholars to propose that some of the challenges faced by AS miners can be resolved if the miners are formalised (Pein, 2022).

**Figure 1. Poverty trap faced by artisanal and small-scale miners (Hilson et al., 2012)**

The formalisation of the ASM sector can be conceptualised as a process that seeks to integrate AS miners into the formal economy. It is crucial to view this process from the standpoint of all concerned stakeholders because different groups tend to have individuals with divergent interests. Failing to consider the aspirations of some stakeholders, the AS miners in most cases, has been identified as one of the reasons why most formalisation initiatives have failed to achieve the desired outcomes. In most cases, powerful organisations, particularly the government, demand AS miners formalise their operation by simply acquiring legal titles for the land they work.

Ntsaluba (2017) noted that treating formalisation and legalisation as the same thing is one of the major reasons why formalisation attempts fail. This process of legalisation benefits mostly the government as it will be better positioned to collect taxes from the AS miners. The AS miners, on the other hand, will have to foot the costs associated with the legalisation process as well as the prospects of paying taxes. This discourages individuals from registering their mining interests. Instead, Hilson et al. (2017) argue that legalisation must be accompanied by other activities, such as availing of funding and capacity building. Some of the challenges that hinder the successful formalisation of the ASM sector can be traced to the negative impacts of neo-colonialism.

### 1.1 Neo-colonialism

Mining and mineral resources development, which often involve the transformation of nature through technological innovations, are linked to the phenomenon of capitalism. Unfortunately, there is often unequal distributions of knowledge and technological capacity, and this results in the creation of racialised regimes of labour exploitation and socio-economic inequality in the conversion of surplus value (Goda, 2017). This reminds us that the transformations of mineral resources, even in contemporary times, are still connected to colonial and imperial pasts (Langan, 2018). It is, therefore, worth dwelling on the phenomenon of neo-colonialism as this will inform our continuing discussion on the roots of challenges hindering the complete formalisation of the South African ASM sector.

Neo-colonialism is often conceptualised as the concealed propagation of socio-economic and political order by former imperial rulers aimed at reinforcing capitalism, globalisation, and the cultural subjugation of their former colonies (Bodomo, 2018; Onyekachi, 2020). Neo-colonialism is propagated using several strategies. Nkrumah (1965), for example, argued that imperial states could control the economies of former colonies by putting in place strategies to procure cheap raw materials from former colonies and mandating the same countries to buy their finished products. Though globalisation has reduced the direct economic ties between imperial states and their former colonies, the African political economy is still shaped externally using other economic and monetary means. One strategy is the prescription of best practices by powerful nations and multilateral organisations to weakest states. Such ‘best practices’ include structural adjustment programmes (Forster et al., 2020).

These structural adjustment programmes, administered by international financial institutions (IFIs), such as the World Bank and the International Monetary Fund (IMF), typically set the fiscal parameters within which the economic policies of developing countries must fall. These organisations, for example, provide structural adjustment loans to countries in dire fiscal or macroeconomic straits (Reinsberg et al., 2020). In return, these countries must reform some of their macroeconomic and fiscal policies to the neo-colonial rubric. Typically, the recipient countries must, in turn, reform their economic policies to make their economies more liberal, privatised, and deregulated. These are the basis of capitalism.

Capitalism has been packaged and sold as the best way to allocate scarce resources. In essence, capitalism allows those with capital to own the modes of production, such as land for farming and mining as well as factories to produce goods (Cottom, 2020). Unfortunately, the centres of capital are not in the developed world but in the developed world. In an era of globalisation, subscribing to all the tenets of capitalism means the poor and marginalised indigenous people have a very small chance of owning modes of production.

This extends to, amongst other things, farms, mineral reserves, and factories. Though proponents of capitalism argue that the competition that is inherent in capitalism allows for the efficient distribution of resources, the emerging reality is that some groups of people will never be able to compete due to their backgrounds. This is particularly true in countries such as South Africa where the majority of the people were oppressed in the recent past.

In addition to promoting capitalism, neo-colonialism is also perpetuated through the imposition of Western cultural and social values on Africans. The outcry over trophy
hunting is a befitting illustration of this phenomenon. Some Westerners feel that trophy hunting is inhumane and are campaigning to outlaw the practice worldwide. Mkono (2019) reported that African governments are capitulating to this pressure from Western conservation groups and have taken steps to reduce trophy hunting. The voices of African communities that view hunting as an acceptable means of exploiting wildlife resources are not heard in the debate.

The same phenomenon is evident in the mining industry. One of the main arguments against ASM is that it has negative environmental consequences and must be banned. This argument ignores the reality that ASM offers a livelihood to some of the poorest people and that any form of mining, large-scale or small-scale, has negative environmental outcomes. It is, therefore, important not only to speak against neo-colonialism but also to provide a solution. It has been suggested that Africanisation is one response to the adverse effects of neo-colonialism as it respects the voices of Africans.

1.2 Africanisation as an alternative to fix challenges of capitalism

The discussion on capitalism and neo-colonialism proposed explanations for why formalisation has failed in mineral-rich regions of Africa. It can, therefore, be argued that the time is ripe for alternative policies that are anchored on ideals other than capitalism. It has been suggested that Africanisation can help developing countries address some of the challenges that are brought about by neo-colonialism. Louw (2010) viewed Africanisation as looking at past individual identities and promoting these identities so that imported socioeconomic systems, imported cultures, values, and way of life do not overpower what the Africans evolved doing (Shumba, 2011). One of the important identities of Africans is the high regard of community structures in shaping society. It is not surprising that the Africanisation discourse is premised on recognising and embracing our ‘otherness’ (Louw, 2010). This simply means individuals need to appreciate that they live in a community and must look, at not only their interests but also the well-being of others. Louw (2010) asserts that this will allow Africans to connect with the broader African experience and participate in activities that bring them together (Louw, 2010).

In Africa, we might have to re-evaluate the role and value of cultural norms in challenging this status quo. African cultural norms revolve around positive communal relationships, respect for human values, and a deep appreciation for nature and the resources it provides (Nwozaku, 2023). A humanistic philosophy of Ubuntu, for example, promotes harmonious living with each other and with nature. It compares with the Western principle of sustainability (Crippen, 2021). Instead of relying on capitalistic tendencies, which focus on the individual entrepreneur, involving the broader community in mining activities can result in greater compliance with the low or formalisation.

Promoting community ownership of mineral resources, one of the main ideas behind the Africanisation agenda is an attractive option because it can increase the number of people deriving benefits from mineral reserves. Also, since the people doing the mining are from the same community, the spillover benefits will also be localised, and the issue of capital flight will be minimal (Aboobaker et al., 2021). This principle of communalism can address some of the challenges faced in the ASM sector, challenges such as environmental degradation. (Ojakorotu & Olajide, 2019), for example, opined that there is rife destruction of natural resources in Africa because the communities do not have the have strayed from the tenets of communalism and Ubuntu. As a philosophical principle, Ubuntu encourages people to look after one another and that includes prudent exploitation of natural resources. Looking at some of the current practices of AS miners, such as leaving gaping holes after they have mined, one can argue that the miners are not practicing tenets of Ubuntu. If the miners looked after their kinsmen, as enshrined by the Ubuntu principle, they would cover them, so that they would not pose a danger to livestock and others.

Communities in the mineral-rich area of Rustenburg in South Africa are structurally excluded from owning mineral resources because of capitalistic tendencies in the allocation of mining rights. Although the South African government has undertaken to improve access to mineral resources of previously disadvantaged communities through formalisation initiatives, the capital needed to formalise the sector has seen individuals failing to seize the opportunity through formalisation of their operations. The observed failure of initiatives leaning towards capitalism in formalisation of the ASM calls for a rethink of the approach to formalise the sector. The purpose of the study was, therefore, if the concept of coalescing community members into mining groups rather than individuals, as is often the case with capitalistic entrepreneurial ventures, is a viable option. This approach is more aligned with the concept of Africanisation, and it is reasoned that this approach can mitigate some of the challenges associated with capitalism. The specific research objectives were to:

1. Determine how capitalist approaches to mineral resource allocation affect AS miners’ ability to formalise their operations.
2. Determine the role communities play in the creation of mining policies.
3. Determine the utility of practices aligned to the Africanisation framework in improving economic outcomes in resource-rich communities of Rustenburg, South Africa.

2. METHOD

Primary data were collected from individuals with exposure to the ASM sector using semi-structured interview guides. Artisanal and small-scale miners were drawn from the Rustenburg area of the Northwest Province of South Africa. This is a chrome-rich area, and there is a high population of illegal AS miners and legal miners, both large-scale and
small-scale. Since the study sought to gather information from individuals with exposure to ASM, some of the participants were drawn from academic institutions and government offices located away from the primary study site in Pretoria (see Table 1).

The study was a mono-method qualitative study with the researcher aiming to explore and understand the context of the participants (Cresswell & Poth, 2016). A qualitative approach was taken because it allowed the researcher to gain insights into people’s lived experiences. Data was collected using semi-structured interviews, and this is an approach traditionally used in exploratory studies (Cresswell & Poth, 2016). In doing so, the researcher was able to understand and gain insights into AS miners’ practices aligned with the Africanisation agenda, an approach that has not been explored.

This study was based on an inductive approach and that was deemed more appropriate because it allowed the researcher to derive inferences from the information collected from participants (Cresswell & Poth, 2016). The researcher derived meanings by analysing data on participants’ lived experiences and situations. This flexible approach allowed the researcher to generate a new theory on ASM formalisation (Marshall, 1996). Information was collected within a short timeframe, and this made the research cross-sectional (Saunders & Lewis, 2018).

This study sought to understand the formalisation of the ASM sector from a different and uncommon perspective of Africanisation. Using semi-structured interview schedules, the researcher was able to explore the issue at hand, making it explorative research (Zikmund et al., 2013).

Snowball sampling was used to locate study participants. This sampling strategy involves identifying the initial starting point for sampling, and that individual will refer the researcher to another participant. This purposive sampling strategy allows one to reach hard-to-find participants. This sampling strategy was favoured because the AS miners operate illegally and might not be willing to speak to a stranger unless they were introduced to them by someone they know. The study sample was divided into six categories: the AS miners, their representatives, individuals from academic institutions, the government, those in the mining industry as well as thought leaders. In total, 15 participants were enrolled in the study (Table 1).

Data analysis is one of the most important yet least understood stages of the qualitative research process (Raskind et al., 2018). The thematic analysis framework popularised by Braun & Clarke (2022) was used in this study. This involves reading and re-reading interview transcripts to identify patterns or codes, which were then grouped into respective themes. This allowed the researchers to identify the similarities and dissimilarities found in the data and underlying patterns that helped explain the phenomenon under interrogation.

### 3. RESULT AND DISCUSSION

This section focuses on study findings concerning the negative impacts of capitalistic approaches to allocation of mining opportunities and how involving the broader community can improve outcomes.

#### Theme 1: Capitalistic approaches to ASM sector formalisations lead to poor outcomes

The main finding associated with this is that the AS miners avoid formalising their operations because of the costs associated with the effort. This agrees with results from other parts of the world where ASM is rife and is mainly practised by poor individuals (Moyo et al., 2022). The relation between lack of capital and other factors associated with lack of capital is illustrated in Figure 2.

Discussing this theme, it is evident that remnants of capitalism are a major factor in ASM sector formalisation. As shown in Figure 2, the level of formalisation is negatively affected by the costs associated with the formalisation process. This finding has been viewed from a capitalistic lens because capitalism, as an economic model, gives economic opportunities to those with any or a combination of different forms of capital (Huang, 2019). This capital can be knowledge or, in this case, the money to fund the mineral claim registration process (Maharani & Saputra, 2021). The negative impacts of capitalism are exacerbated by a complicated and cumbersome mineral claim registration process. It was observed that the participants lack the knowledge to complete the cumbersome registration process, and in a capitalistic society, knowledge is a form of capital (Huang, 2019). This is particularly important given that the community members are mainly previously disadvantaged black individuals who have low literacy rates (Gadsden, 2021). The negative impacts of lack of knowledge are also increased by unhelpful government officials. It can also be presented that unhelpful government officials are a symptom of poor community engagement by the state. The need to re-think resource allocation strategies is illustrated in the following comment (ASM Rep 5).

“They need to relax a bit, especially if it is a community of miners unlike when it is an individual who is looking for his own individual interest, course of profit. But in terms of
communities, there are many things we need. Things such as empowerment and development, social and economic. It reaps a lot of benefits to the community if done properly and in time”. The participant felt that more needs to be done to ensure that communities fully engage in the mining industry. They are speaking of “relaxing a bit” regulations. These regulations include the requirements to have some form of capital upfront to be able to complete the permit application process, among other things.

The researchers reasoned that instead of employing capitalism as a resource allocation strategy, better outcomes can be attained if the resource allocation is done in a manner more aligned with the idea of Africanisation. Since one of the key concepts in Africanisation is communalism, the researchers sought to determine how the roles currently played by the communities concerning the exploitation of mineral resources within their areas. The second theme is therefore concerned with this issue.

Theme 2: Lack of community engagement

The study revealed that there is poor communication between the state and the mining communities. Most of the participants indicated that formalisation initiatives were leaving out the communities, who are the most important stakeholders in the decision-making process. One participant had this to say (ASM Rep 4):

“DMR is not empowering communities as community members are not aware of the legislation governing ASM”.

The comment above suggests that there is no communication between the Department of Mineral Reserves (DMR) and the communities. If there is no sound communication between the communities and the state, one cannot expect the concerns of the communities to be adequately incorporated into the country’s mining policy.

It is also worth noting that the communities already have structures that the state can engage with. These structures can greatly help bring order into the area’s mining industry and promote compliance with legislation. One participant commented (Thought leader 2):

“... They are very powerful community structures and you definitely need to bring them on board as representatives of communities. The good thing about community structures is that some of them do include some political players, some of these battles, once you win the local politics, you stand a good chance of making sure that you achieve your objectives”.

It can be deduced from the comment above that involving communities through community structures that the state or other stakeholders can engage to improve sector formalisation. In most African communities, community structures exist that are created to help govern the respective communities. The concept of Africanisation is there supported by this observation since Africanisation is all about finding African solutions to African problems (Muchie et al., 2016). It was also deduced from the interviews that the communities yearn to benefit from the natural resources in their areas as a collective. The following comment illustrates this assertion (AS Miner 1):

“The illegal miners, the community, and the DMR should work together. If they would help us to mine legally, the community will also benefit. There will be empowerment there will be vacancies available also the department itself will benefit otherwise we stealing from the department and the DMR”.

The comment above clearly illustrates that the communities have no problem mining legally. However, the communities still need assistance from the state to be able to get to a point where their operations are economically viable. The miner who commented above also raises another important point. They seem to believe that having the ability to mine legally will promote economic empowerment. This is an important point because allowing communities to benefit more from the mineral resources is their area will increase the overall economic performance of the area, including other non-mining sectors such as retail.

Though Africanisation revolves around communities coming together to solve their challenges, some participants felt that other organisations could come in to help the communities achieve their desired goals. This is illustrated in the following comment (ASM Rep 5):

“If all those could be taken care of, and there is help or assistance, or an advisory body, which could advise communities, how to go about mining. It is not up to the
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The Potential of Using communities themselves to sort themselves out. Coming from the position where we were from our history. We need help for communities to succeed”.

Also related to the issue of community engagement is the aspect of research. One participant (Academia 1), for example, stated that:

“The way I see it and what I discovered in my thesis is that we need the support of academia in aspects such as research. . . . So we need academia to carry out proper research…”.

Several research threads emerged from talking to the participants and the most important research area in the context of this article is the need to fully understand the informal industry in South Africa. This can be effectively achieved by having first-hand information from the miners since their activities are often shrouded in secrecy (Thornton, 2014). It also emerged that there is a need to include civic society when engaging the communities. This is because of the poor relationship between the miners and state organs such as the police and DMR. One participant (AS Miner 1), for example, stated that:

“… whenever the people from the government come, we run away and when they go we come out”.

This cat-and-mouse behaviour can be reduced if neutral parties, like civic organisations, are active in community engagement efforts. Civic organisations and NGOs are considered vital in brokering public norms and institutional practices (Salet, 2018).

**Theme 3: Paradigm shift**

The discussion above has shown that the current mining policy regime, which is largely based on capitalism, is not serving communities. Also, it emerged that the communities do not have much say in the creation of these policies. It is therefore argued that a paradigm shift is needed in the sector to fully benefit the local communities. This is the focus of the final theme.

The current mining regulations in South Africa are modelled around legislation that was created during the apartheid era (Maharaj, 2020). These regulations are modeled around capitalism as one needs to expend a considerable amount of capital before they are given a mining license. Furthermore, newer environmental regulations require one to deposit some funds with the government for land rehabilitation if they are not able to do so when they exhaust their mineral reserves (Kotzé & du Plessis, 2014). These regulations effectively exclude most historically disadvantaged South Africans from the mining sector because they are not able to meet the capital requirements.

However, completely excluding poor South Africans from the mining sector using legislation is likely to be unsustainable because some of the individuals already live in areas with mineral reserves, and this has given rise to informal mining. Some communities in Limpopo Province, for example, live in areas with shallow chrome reserves, and artisanal mining is common in that area. Such communities view artisanal mining as a viable livelihood option, and it is important to formalise such miners so that they extract maximum benefits from the minerals in their midst. Study participants hinted that communities must be the focus of formalisation attempts, not individuals. Some of the participants had this to say (AS Miner 3):

“The government was supposed to say, guys let’s forget about everything, let’s go back to the drawing board. This will allow everyone to benefit, the government will benefit through more tax and now it is only the individuals who are benefitting”.

The comment above from one of the AS miners in the study area suggests that the people are willing to work as a community. It is suggested that a new paradigm is needed as the current regulatory regime does not offer many benefits to communities.

“I think there should be a structure that is truly looking after people in the communities. We do not have any, but I wish the government should consider it. This is an important sector of the economy, and it is not just about raising contributing to GDP it’s about the livelihoods of the individual communities”.

This comment by another AS miner supports the idea that the government must have a way of assisting all individuals living in areas with mineral reserves to benefit

![Diagram](image)

**Figure 3**. Formalisation based on collectivism/Ubuntu.
from the minerals. It is worth noting that when the participants speak of the ‘people’, they are tacitly admitting that individualism is not ideal when it comes to the use of natural resources. This is a cue for the government to consider other ways of formalising the ASM sector that are not exclusively based on capitalistic ideals.

It is also important to discuss ways through which the communities can be assisted to ensure that all individuals benefit. It is acknowledged that individualised mining in such areas is difficult to monitor and support and will also have greater environmental impacts. This is because the mining is likely to be haphazard, with everyone looking after their interests. This can be addressed by grouping the miners so that they mine in a specific area, as shown in (Figure 3). In doing this, one will need to leverage collectivism a a feature that was prominent in traditional African communities. Regarding collectivism, the study participants had this to say (Thought leader 1):

“One way to do that is what we see in other countries. In countries such as the DRC, they identified and demarcated what they call ASM-designated zones. So, what can happen in South Africa is that they can identify such zones in all provinces depending on the mineralization. For example, if you go to the Northern Cape, there are minerals that you find there. In the Cape area, for instance, there are precious stones that you find there, so you can have a diamond zone there. In Limpopo, the major mineral mined there is Chrome, so you can have a Chrome Zone and in Mpumalanga, there is gold and coal so you can have the coal and a gold zone there”.

The suggested solution is quite feasible given that most minerals occur within a specific area. All the state needs to do is to identify the mineral-bearing areas and allocate these to specific communities. This will make it possible to monitor and offer any support needed by the communities. This idea is supported by the comment below from one of the participants (Thought leader 4):

“However, if we have a central buying point, like in Rwanda, a certain portion of the money that the miners are paid, the owner has to put a certain portion towards medical for that person. So, for example, say you’re buying gold and the price is 19,000 an ounce, you can give the miner 85% and the rest goes towards medical care”.

This comment suggests that having known or designated zones will also help in buying the minerals from the miners. The negative impacts of middlemen are well documented across Africa, and, as such, it is essential to find strategies that the state or other legally permitted stakeholders can use to buy minerals produced by the AS miners.

4. CONCLUSION

This study provides a new approach to addressing the ASM formalisation challenge. In the introduction, it was argued that formalisation allows the miners to extract maximum benefits from their minerals. This is important given that South Africa, like other African nations, is struggling with unemployment. Any activity that gives individuals a livelihood, even minuscule, must be taken seriously. The ASM sector is not small, and it provides livelihoods to millions of people worldwide. Finding a sustainable strategy for the formalisation of the sector will have profound impacts on South African mining communities as it has many benefits, including the creation of employment and stimulating other businesses.

This goal can only be realised if there is a paradigm shift in how the state engages with the mining communities. Mining policies in the country are recommended to take advantage of societal norms and values. Useful norms and values in this regard include the tendency to work as communities. This idea aligns with the concept of Africanisation. Therefore, the state needs to have greater engagements with the communities to create policies sensitive to the communities’ hopes and needs.

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CONFLICT OF INTERESTS

The authors declare that they have no financial or personal relationships that may have influenced what is contained in this article.

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