

GOLD GLITTERS, GRIEVANCES GROW

CONTESTATION AND UNCERTAINTY AROUND MIDROC
AND GODU GOLD MINES IN GUJI, OROMIA

Asebe Regassa and Damena Abebe



Rift Valley Institute
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THE ETHIOPIA PEACE RESEARCH FACILITY

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SUMMARY

- Despite political change at the national level, resource extraction in the two Guji zones (Guji and West Guji) of Oromia Region continues to exclude local communities. This is particularly so in the case of MIDROC – a mining and oil company owned by Saudi billionaire Sheik Mohammed Hussein Al Amoudi.
- Local companies, such as GODU General Trading S.C. (GODU), established under the Prosperity Party (PP), have co-opted youths and privileged local business elites as a means of diffusing tensions that emerged in 2018 related to MIDROC’s operations in the region.
- The coming to power of Prime Minister Abiy Ahmed and the PP in 2018 empowered a new group of political and economic actors within the regional government of Oromia. This has led to an increased number of licences being granted for gold extraction in the Oromia region, leading to a new gold rush, particularly in the Guji zones.
- There has, however, been significant opposition to some new mining projects. Since 2018 the government has shifted its approach to dealing with this from cooptation to severe coercion, including violence through forcible land expropriation.
- Popular resistance to the human and environmental impacts of MIDROC’s gold mine prompted the government to suspend the company’s licence in May 2018. It allowed the mine to reopen in March 2021 without the underlying causes of the protests being addressed. Rather, by transferring a MIDROC site—the Okote mine—to GODU, it attempted to co-opt local elites and businessmen.
- The socio-economic and environmental impacts of newly established companies such as GODU are not yet clear due to a lack of transparent environmental impact assessments and the relatively recent commencement of mineral extraction. Local community resentment against MIDROC is, however, palpable.
- In the long run, local grievances may lead to renewed resistance against mining, unless the government introduces mechanisms that facilitate the following: community benefit-sharing; proper compensation; increased and equitable employment opportunities; and consultations with local communities that incorporate prior consent to mining and meaningful input on issues such as environmental and socio-economic impacts.

ABBREVIATIONS

EIA	Environmental impact assessment
EPRDF	Ethiopian People’s Revolutionary Democratic Front
MIDROC	Mohammed International Development Research and Organization Companies
ODP	Oromo Democratic Party
OLA	Oromo Liberation Army
OPDO	Oromo Peoples’ Democratic Organization
OPP	Oromia Prosperity Party
PP	Prosperity Party
TPLF	Tigray People’s Liberation Front

GUJI GOLD MINING AREA, OROMIA



INTRODUCTION

Since the discovery of gold as an extractable resource in the 1930s during the Italian occupation, land in the two Guji zones of Oromia has become one of the main frontiers for extraction in Ethiopia.¹ Today, gold remains a much sought-after mineral by transnational companies, bearing as it does the potential for high economic returns at different levels of the commodity chain. Although the mining sector's contribution to Ethiopia's GDP has in the past been negligible, the sector—particularly gold—has received increased attention since the Prosperity Party (PP) came to power in 2018. In November 2020, Takele Uma, the then Minister of Mines and Petroleum, revealed that gold was the country's most exported commodity in terms of value for the fiscal year 2020/21, surpassing agricultural produce such as coffee, cut-flowers and khat.² As such, gold has become a strategic resource for the state, with gold mining often considered a panacea among developing countries for poverty reduction and earning foreign currency.³

This report aims to explore the economic and political implications arising from the above, including the governmental drive to attract more investors and crack down on illicit gold mining and smuggling. Specifically, the research focuses on how post-2018 political dynamics in Ethiopia are shaping the politics of resource extraction in the Guji zones. It does so by spotlighting the roles playing by two key gold mining companies operating in the region: Saudi-Ethiopian conglomerate Mohammed International Development Research and Organization Companies (MIDROC), which operates the Laga-Dambi gold mine (henceforth 'MIDROC Laga-Dambi'), and GODU General Trading S.C., which operates the Okote gold mine (henceforth 'GODU Okote'). The Laga-Dambi mine, in Oddo Shakiso district of Guji zone, began extraction in 1997, although its operations were suspended in 2018 following social resistance provoked by the impacts of toxic chemicals on local communities, livestock and the environment. Controversially, however, the regional government allowed MIDROC Laga-Dambi to reopen

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- 1 Asebe Regassaa, 'Frontiers of Extraction and Contestation: dispossession, exclusion and local resistance against MIDROC Laga-Dambi Gold Mine, southern Ethiopia', *The Extractive Industries and Society* 11 (2022). 100980.
 - 2 Takele Uma Banti, Twitter, 19 November 2020, <https://twitter.com/TakeleUma/status/1329306836705701888/photo/1>.
 - 3 A. Bebbington et al., *Governing Extractive Industries: Politics, Histories, Ideas*, Oxford University Press, 2018, 304.



in March 2021.⁴ GODU, meanwhile, is owned by local Oromo businessmen, its ownership structure enabled by post-2018 reconfigurations of political and economic power in Oromia region. The Okote mining site was previously leased to MIDROC, before being transferred to GODU in an attempt to dampen resistance and co-opt local elites resistant to the impending reopening of MIDROC Laga-Dambi.

Despite political changes at the national level in 2018, resource extraction in the two Guji zones—particularly when it comes to MIDROC—remains exclusionary to local communities. The post-2018 political reconfiguration has resulted in a new constellation of actors with strong political and economic leverage in Oromia regional government. These actors hold significant sway over access to, and the licensing and extraction of, gold in the region, thereby enabling a ‘gold rush’ in Guji’s two zones. In particular, partnerships have emerged between local business elites and political authorities at the national and regional level. Here, party politics plays a significant role in facilitating access to resources, as well as excluding those deemed to be supporters of opposition parties.

Overall, the PP’s reformist agenda appears to have done little to change the top-down, exclusionary practices deployed by the previous regime, including prioritizing access to land for mining companies and prospecting. Nevertheless, local populations have resisted this approach. Initially, the new constellation of party and business elites tried co-optation to pacify local opposition, before shifting to coercion. In fact, when it comes to the gold mining sector, the PP-led government now exercises more coercive measures than its predecessor—the Tigray People’s Liberation Front (TPLF)-dominated Ethiopian People’s Revolutionary Democratic Front (EPRDF) coalition—ever did. While the socio-economic and ecological impacts of newly established companies such as GODU are not yet clear—having only recently commenced extractive activities, GODU Okote has so far not undergone a mandatory environmental impact assessment (EIA)—the local community’s grievances against MIDROC are numerous and notable. Unless the PP government introduces mechanisms enabling local communities to participate and share in the benefits, this opposition may, in the long run, lead to renewed social conflict and uprisings (similar to those in April–May 2018). Particularly important are mechanisms for reducing the impacts of toxic chemicals from the mine.

PERIPHERY AND FRONTIER

Following the early 2018 reconfiguration of power within the EPRDF and its subsequent dissolution into the PP under Prime Minister Abiy Ahmed, a new state narrative concerning the so-called ‘peripheral’ regions and their ruling parties emerged. The integration into the PP of ruling parties or elites from regions previously labelled ‘emerging’—including Afar, Benishangul Gumuz, Gambella, Harari and Somali—shifted hierarchical EPRDF-era relations

4 Human Rights Watch found that ‘the mine recommenced operations around March 2021 without ... steps taken to reduce pollution’, see: Human Rights Watch, ‘Ethiopia: Companies Long Ignored Gold Mine Pollution Provide Effective Remedy to Oromia Residents who Suffered Harm’, 26 April 2023, <https://www.hrw.org/news/2023/04/26/ethiopia-companies-long-ignored-gold-mine-pollution>. The government refutes this claim, see: Ashenafi Endale, ‘MIDROC Gold in Hot Water again, denies damaging the environment’, *The Reporter*, 29 April 2023, <https://www.thereporterethiopia.com/33602/>.

towards a framework that supposedly unified the various ‘equal partners’ from Ethiopia’s ethnic regional states. This enabled the federal government to expand its reach to the peripheries while conveying a sense of inclusion and empowerment to elites from these regions. In practice, however, the PP government has maintained (if not intensified) an extractive political-economic system that turns peripheral regions into resource frontiers used to boost the national economy and consolidate governmental power.

The two Guji zones fit the context of both periphery and frontier. Ever since its incorporation into the Ethiopian state in the late nineteenth century, Guji has remained a periphery, with ‘periphery’ here referring to socio-economic marginalization, political underrepresentation and infrastructural underdevelopment. In this regard, the Guji zones share commonalities with other peripheral areas of Oromia region, such as Borana or the lowland Bale areas, where the state’s socio-economic and infrastructural services are rarely accessible.

The Guji zones have two distinct features that make them a frontier-like space. Firstly, the pastoralist/agro-pastoralist livelihoods that characterized the Guji Oromo until their recent transformation into a farming community are regarded by the state as at odds with its modernist development plans and thus in need of state intervention.⁵ Secondly, the discovery of gold in Guji in the 1930s made it a resource frontier—a new site of extraction that the state and fortune-seeking individuals have scrambled to control.⁶ In addition, mega-development schemes (for example, Genale Dawa hydro-electric dam and Gidabo agri-business scheme, which were launched by the EPRDF around 2010 but are still under implementation)⁷ exemplify the continuity of frontier expansion into Guji land alongside other frontier sites such as Lower Omo Valley. Ethiopia’s peripheries have, in reality, served as sites of resource extraction under successive regimes, whether through livestock taxation, coffee, wildlife commodities, mineral extraction or, more recently, large-scale agricultural schemes.⁸

Since 2018, the federal government, in collaboration with Oromia regional state, has granted licences to over 150 small and large-scale companies allowing them to prospect for minerals, particularly gold in the two Guji zones. In Guji’s Aaga Waayyu district alone, 33 small-scale enterprises were licensed between 2019 and 2022. Although prospecting and extracting gold may open up job opportunities for local youths, it also leads to anxieties over land expropriation,

5 Getu D. Alene, J. Duncan and H. Van Dijk, ‘Development, governmentality and the sedentary state: the productive safety net programme in Ethiopia’s Somali pastoral periphery’, *The Journal of Peasant Studies* 49/6 (2022).

6 Asebe Regassa, ‘Frontiers of Extraction’.

7 Asebe Regassa, ‘From cattle herding to charcoal burning: land expropriation, state consolidation and livelihood changes in Abaya Valley, southern Ethiopia’, in *Lands of the Future: Anthropological Perspectives on Pastoralism, Land Deals and Tropes of Modernity in Eastern Africa*, eds. E. C. Gabbert et al., New York: Berghahn Books, 2021.

8 J. Markakis, *Ethiopia: The Last Two Frontiers*, Boydell & Brewer Ltd., 2011; Asebe Regassa, Yetebarek Hizekiel and B. Korf, ‘“Civilizing” the pastoral frontier: land grabbing, dispossession and coercive agrarian development in Ethiopia’, *The Journal of Peasant Studies* 46/5 (2019).

environmental pollution and social conflict. This is reflected in the account given by an elder from Bule Hora, a district close to the Okote mine now owned by GODU:

Everywhere in our district, new companies are coming to dig gold. They say, ‘we got permission from the government’—but none of them talked to us. Our people are told to vacate the area but what will be the fate of our children? We know what happened in Shakiso under MIDROC. The company’s operations killed people, destroyed the land and now we are waiting for the same fate. We know these are our people, they speak our language and some of them are our children. But if they don’t do it differently from what MIDROC did to those in Shakiso, what is the difference?⁹

Three fundamental issues regarding land expropriated for gold extraction emerged from the interviews conducted in the two Guji zones and the local sources consulted. Firstly, there is continuity from the EPRDF period in terms of land expropriation without any due process of land owner consultation, compensation or participation. Secondly, local people in Guji are aware of the environmental and health impacts of MIDROC Laga-Dambi, and this has negatively influenced their perceptions of mining practices. Thirdly, the post-2018 political settlement has brought new actors into the extractive economies, namely business companies owned by local elites or elites from Oromia who speak the same language as local communities. This last point is an important entry-point for comparison between MIDROC Laga-Dambi and the newly established GODU Okote mine.

METHODS AND OUTLINE

Ethnographic fieldwork was conducted in Guji and West Guji zones, specifically in Oddo Shakiso and Bule Hora districts, where MIDROC Laga-Dambi and GODU Okote are respectively located. Data collection, conducted from September to November 2022, involved interviewing local community members, company employees, government authorities and GODU board members. In addition, data from fieldwork conducted by research team members over the past decade informs the analysis. To gain access to the field, the researchers drew on their networks of contacts and sources among mining companies, government institutions and local communities. Due to the sensitivity of the topic and the government’s coercive measures against anyone voicing critical views regarding the reopening of MIDROC Laga-Dambi or about GODU, many people were understandably suspicious, making it difficult to gain access to informants. Some interlocutors cancelled interview appointments, some preferred to be interviewed only in a secure place, and some wished to avoid even being seen with the researcher.

The report proceeds as follows. Section 1 provides the broader context for the case studies and a brief history of the study area, which is considered to be a periphery and resource frontier in relation to the state at Ethiopia’s centre. Section 2 then explores the political economy of resource extraction under both the EPRDF and PP regimes, and the local impact this has had in the Guji zones. Following this, section 3 analyses the resource extraction-related resistance and

9 Interview with elder, Bule Hora district, West Guji zone, October 2022.

conflicts taking place in the area, as well as the possibilities for future peacebuilding. Finally, the report offers a brief conclusion, along with several recommendations for participatory and equitable resource governance.

GOLD MINING IN GUJI

MIDROC Laga-Dambi and GODU Okote are located in, respectively, Guji and West Guji zones. The two zones are predominantly inhabited by the Guji Oromo, a group that has historically been agro-pastoralist.¹⁰ The Guji Oromo were incorporated into the Ethiopian state in the late nineteenth century and have since remained marginal in terms of socio-economic development and political representation.¹¹ Despite this, the area has long formed part of the central state's economic interests, making its people vulnerable to what scholars in the field of resource-based conflicts call the 'resource curse'.¹² Examples of negative consequences suffered by the Guji people include land dispossession, population displacement, toxic chemicals from mining sites, conflicts, disease and the destruction of sacred spaces.¹³

Changing livelihoods, land expropriation and the Gadaa system

Over the past 50 years, the Guji have shifted from agro-pastoralism to farming and artisanal mining, with consequences for property regimes. Land expropriation for mining is pushing local people to less fertile areas, leading to poverty. In the four local villages around MIDROC Laga-Dambi, for example, numerous interviewees reported losing fertile land along Laga-Dambi river they had previously used for irrigation.

The *Gadaa*—the indigenous Oromo democratic institution of governance in which power is democratically transferred every eight years—plays a vital role in resource governance and peacebuilding, with the Guji zones one of the few areas in Oromia where the system remains intact.¹⁴ Rituals are performed as part of power transfers, as well as when *Gadaa* elders pray for peace, good harvests, livestock fertility or the overall wellbeing of the people. These rituals take place at sacred spaces (e.g. river sides, forests, under big trees or hilltops).¹⁵ For the Guji, any development intervention or religious practice that transgresses a sacred site is regarded as having desecrated its sanctity. Thus, *Abba Gadaas* (leaders of the *Gadaa* system) are considered

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- 10 Tadesse Berisso, 'Changing Alliances of Guji-Oromo and their Neighbours: State Policies and Local Factors', in *Changing Identifications and Alliances in North-East Africa: Volume I: Ethiopia and Kenya*, eds. G. Schlee and E. E. Watson, Berghahn Books, 2009.
 - 11 J. Van de Loo and B. Kola., *Guji Oromo Culture in Southern Ethiopia: Religious Capabilities in Rituals and Songs*, Berlin: Dietrich Reimer, 1991.
 - 12 M. L. Ross, 'The political economy of the resource curse', *World Politics* 51/2 (1999).
 - 13 T. Gardner, 'Health woes, outrage, and toxins near Ethiopia gold mine: "We are the walking dead"', *The New Humanitarian*, 27 May 2020. www.thenewhumanitarian.org/investigation/2020/05/27/Ethiopia-Oromia-Shakiso-gold-mine-health-problems.
 - 14 Asmarom Legesse, *Gada: Three Approaches to the Study of African Society*, Red Sea Press, 1973.
 - 15 Gemedo O. Roba a, 'Anthropogenic menace on sacred natural sites: the case of Me'ee Bokko and Daraartu sacred shrines in Guji Oromo, Southern Ethiopia', *Heliyon* 7/3 (2021): e06460.

custodians of not only the system but the sacred sites. This has implications for land given over to resource extraction in the Guji zones. To date, *Abbaa Gadaas* are key customary mediators between community and government during the establishment of or conflicts over extractive companies. Elders that we interviewed, for instance, argue that prior to the establishment of the Laga-Dambi mine, the site was used as a sacred space.

Gold mining during the imperial and Derg eras

During the imperial regime, control over Ethiopia's gold mining was—in addition to its economic value to the imperial treasury—a symbol of the sovereign's claim over the peripheries. This is demonstrated by the fact that, following the discovery of industrial levels of gold deposits in Guji (around Adola and Shakiso areas),¹⁶ the imperial regime re-named Adola 'Kibre-Mengist' (glory of the state), signifying the area's importance as a source of economic and political power for the imperial state.¹⁷ Gold mining in Guji was thus brought under the absolute control of the crown, with provincial administrators submitting the gold directly to the emperor.¹⁸

Following the discovery of gold in the 1930s,¹⁹ new towns and villages were established by migrant workers, particularly around major mining sites such as Adola gold mine, which was later leased to MIDROC in the 1990s. Migrant workers arrived from different corners of the country, either conscripted by the imperial government or attracted by the imagined bounty on offer. Since the 1960s, the influx of migrant workers from other parts of the country has had profound socio-cultural impacts on local communities, including the introduction of prostitution, alcoholism, contraband trade and crime.²⁰

During the military regime that followed the imperial era (the Derg, 1974–1991), the gold mine in Guji was reconfigured into a state enterprise called the Adola Gold Mining Enterprise, coming under the exclusive control of the state as part of the regime's socialist land reforms, which involved the nationalization of all rural and urban land.²¹

MIDROC Laga-Dambi gold mine

In 1997, the EPRDF granted a 20-year concession to MIDROC Gold Mine plc for Laga-Dambi gold mine, previously operated by Adola Gold Mining Enterprise. The rationale for the EPRDF's

16 As well as in western parts of Oromia, see Alemseged Debele, 'A History of Mining in Wallaga, Western Ethiopia, 1899-1991', CFEE, 2 December 2017. <https://cfee.hypotheses.org/2297>.

17 Asebe Regassa, 'Frontiers of Extraction'.

18 Imperial Government of Ethiopia, 'A Proclamation to Promote the Development of Mineral Resources of the Empire of Ethiopia', Proclamation No. 282, *Negarit Gazeta*, 1971, 65.

19 T. Shah, *In Search of King Solomon's Mines: A Modern Adventurer's Quest for Gold and History in the Land of the Queen of Sheba*, Skyhorse, ORM, 2014.

20 Dambe Turche, 'Extractive industries and local people's claim: the case of MIDROC Laga-Dambi Gold Mine', MA Thesis, Dilla University, 2018.

21 Imperial Government of Ethiopia, 'A Proclamation to Provide for Government Control of Mineral Prospecting, Exploration and Mining Activities', Proclamation No. 39, *Negarit Gazeta*, 1975, 127–129.

privatization of the mine can be seen from two angles. Firstly, the EPRDF was initially biased towards agriculture, and did not regard the costly and technology-intensive extractive economy as a viable investment. Secondly, the EPRDF was employing a pragmatic strategy in portraying itself to the donors as a neoliberal government willing to open up state-owned enterprises to the private sector.²²

Under the EPRDF, the Saudi-Ethiopia business tycoon Sheikh Mohamed Hussein Al Amoudi was the biggest beneficiary of the limited privatization process that the government entertained from the late 1990s to 2000s, next to regional party affiliated endowment funds and state-owned enterprises. The private businesses under Al Amoudi's MIDROC group, including its subsidiary MIDROC Gold Mine Plc, thus had the political support of the EPRDF, and in turn supported the ruling party financially.²³ From 1997 until 2018, MIDROC pursued an 'enclave' economic model, with the economic trickle-down benefits to local populations ranging from insignificant to non-existent.²⁴ At the time MIDROC was accountable only to the federal government, operating in Oromia region nearly autonomously from the administrative authority of the then regional ruling party, the Oromia People's Democratic Organisation (OPDO). According to the head of Oddo Shakiso district social affairs office, the local administration did not know what or how much was produced, still less where the product went.²⁵ Local informants also stated that the company existed in almost complete economic seclusion, without providing any economic or social contributions to communities. On the contrary, in four villages surrounding the mine—Dhibba Batte, Didola (Dicha), and Rejji—chemical runoffs, displacement and restrictions on accessing artisanal sites led to local populations' economic



Laga Dambi, photo by Mohammed²⁶

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- 22 Dereje Feyissa, 'Aid negotiation: the uneasy "partnership" between EPRDF and the donors', *Journal of Eastern African Studies* 5/4 (2011).
- 23 Sarah Vaughan and M. Gebremichael, 'Rethinking Business and Politics in Ethiopia: The Role of EFFORT, the Endowment Fund for the Rehabilitation of Tigray', Research Report, Overseas Development Institute, August 2011.
- 24 Enclave economies operate in a closed or contained system, without any multiplier effects for local economic development.
- 25 Interview with head of Oddo Shakiso district social affairs office, March 2019.
- 26 Photo licensed under CC BY-SA 4.0. Link: <https://creativecommons.org/licenses/by-sa/4.0/?ref=openverse>. Lega Dambi, photo by Mohammed, licensed under CC BY-SA 4.0. Link: <https://creativecommons.org/licenses/by-sa/4.0/?ref=openverse>.



Laga Dambi open-pit gold mine, photo by Damena Abebe.

and health conditions deteriorating.²⁷

Despite the current government’s populist rhetoric, particularly from the OPDO—briefly renamed Oromo Democratic Party (ODP)—which evolved into Oromia Prosperity Party (OPP) in 2019, the dominant state narrative on resource frontiers continued to influence the process surrounding MIDROC Laga-Dambi’s reopening. Within the first two years of Abiy Ahmed’s premiership, MIDROC was quick to financially support the new PP ruling party with donations, in order to secure political backing for its economic enterprises, not least in Oromia.²⁸

In Ethiopia, resource frontiers have tended to be regarded as bountiful spaces ripe for conversion into productive commodities by the state and private investors. This perspective remains prevalent in the current government’s justifications for issuing mining licences to private investors in the Guji zones, as exemplified in the following statement by the head of Oromia Mining Bureau: ‘Guji is blessed with natural resources, but it has remained underutilized for centuries. Successive governments did not pay due attention to the area. Now, our government is fully committed to support all investment in the mining sector for the benefit of the country and local communities.’²⁹ In the context of the Guji zones, such words—which present the PP government as working to ensure that local populations benefit—resonate with communities’ pre-2018 discontent towards the EPRDF and MIDROC.

GODU Okote gold mine

GODU Okote is located in Hallo *kebele* of Melka Soda district, West Guji, and is considered an extension of the Adola gold belt. Although it is difficult to know when exactly exploration for gold began in the area, the National Mining Corporation is regarded as a pioneer in undertaking exploration in the late 1990s. In the early 2000s, MIDROC—facilitated by the government, which had a 2 per cent minority stake in the company³⁰—continued explorations for the Okote gold mine. In 2012 surveys conducted by the South African exploration firm Venmyn Rand Limited, on behalf of MIDROC, sensationally claimed Okote’s deposits could potentially yield

27 Gardner, ‘We are the walking dead.’

28 See: ‘The foot soldiers of the Prosperity Party’, *Addis Fortune*, 21 December 2019, <https://addisfortune.news/the-foot-soldiers-of-the-prosperity-party-pp/>.

29 Head of Oromia Bureau of Mining, public meeting held in Adola, 21 March 2021.

30 Ethiopia Extractive Industries Transparency Initiative, ‘EITI Report for the year ended 7 July 2017’, August 2019, https://eiti.org/sites/default/files/attachments/ethiopia_eiti_report_2016-17.pdf.

10 metric tons a year if extracted successfully.³¹ The hype over Okote only briefly subsided with the public resistance against MIDROC Laga Dambi gold mine and its subsequent suspension in May 2018.

Following the suspension, successive foreign companies competed to acquire the mining rights for Okote gold mine. In March 2020, the Australian-operated and London-registered company Abyssinian Gold Ltd³² sought to take over the 60 per cent interest in the Okote gold mine, previously acquired by the South African company Africa Mining & Energy (AME),³³ but by July ‘elected not to pursue the acquisition of an interest in the Okote Gold Project.’³⁴ In the following year, the Ethiopian company GODU General Trading S.C.—dominated by Oromo businessmen and engaged in various businesses other than mining—publicly emerged as the frontrunner in acquiring the mining rights to Okote gold mine. GODU has since sought to raise sufficient capital from various stakeholder groups to fully commence operating the mine.³⁵ In discussion with a GODU staff member, it became apparent that government enterprises, foreign investors and businessmen are the major shareholders in the company. Informants stated that GODU has also been encouraging members of the local community to buy shares as a strategy to gain social support and make farmers beneficiaries of the industry.³⁶ Moreover, the GODU staff member mentioned that the company plans to provide free shares for the community (not for individuals), to be used for local development. In terms of the company’s decision-making, however, the risk remains that—despite GODU’s claims of having engaged with local farmers—the voices of foreign investors and businessmen will bear far greater weight than those of local residents, including when it comes to decisions that may negatively impact communities.

Moreover, GODU is evidently working closely with regional government officials and is apparently serving as a means of silencing local voices critical of the government’s actions around mineral extraction in the area – including the reopening of MIDROC Laga-Dambi. For example, along with local elders, Oromia regional government president, Shemelis Abdisa, attended as guest of honour during the establishment of GODU General Trading S.C. in February 2021 in Bule Hora—around the same time that MIDROC was resuming operations in Guji.³⁷ GODU’s board of directors also furthermore includes members of parliament and

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- 31 Will Davison, ‘Saudi Billionaire’s Gold Find May Double Ethiopian Production’, *Bloomberg*, 15 March 2012, <https://www.bloomberg.com/news/articles/2012-03-15/saudi-billionaire-s-gold-find-may-double-ethiopian-production?leadSource=uverify-wall>.
- 32 See: <https://abyssinian.gold/okote/>.
- 33 See: <https://amecorp.com.au/okote/>.
- 34 See: Abyssinian Gold Limited, ‘Annual Financial Report’, 30 June 2020, <https://gregoryresources.com.au/wp-content/uploads/2020/09/Abyssinian-Gold-Annual-Report-30-June-20.pdf>.
- 35 See for example GODU’s attempts to raise capital through advertising possible shareholder investment opportunities: www.facebook.com/GoduTrading/photos/a.305968094877966/374818227992952.
- 36 Interview with GODU higher governing body, Addis Ababa, 2 November 2022.
- 37 For photographs, see: www.facebook.com/GoduTrading/photos/pcb.106475931493851/106473661494078. For a video of the opening speeches, see: www.youtube.com/watch?v=nr7holvW-pQ.

government authorities in Oromia regional state.³⁸ This signals the high-level political support for and vested economic interest in the project by the regional government.

Although in the absence of mandatory environmental impact assessments, it is too early to assess the precise scale of the project's impact, gold mining in the area appears to have had a largely detrimental socio-economic impact on local communities. As one resident explained:

We are told to leave this area for mining, but we don't know what our fates will be in the future. Here we have various economic resources for our livelihoods, we have our relatives and friends with whom we support each other. I feel we are going to lose all this if we move to another place.³⁹

Residents in rural areas of Melka Soda district rely mainly on agriculture, agro-pastoralism and beekeeping, with artisanal and small-scale mining also important livelihood means for communities. Hence, there is growing uncertainty about the fate of the local community once GODU starts full operations. This, however, has so far been postponed, with the company citing security concerns around OLA (Oromo Liberation Army) activity in the area and the government's counter-operation.⁴⁰ OLA's southern command also has a presence in rural areas of the East and West Guji zones since early 2019⁴¹ and allegedly engaged Oromia regional forces in the vicinity of the Adole gold belt, including near the Laga Dambi mine.⁴²

Despite GODU claiming it has strong community support (i.e. social licensing),⁴³ residents remain suspicious of the mine's benefit to the community and the safety of the environment. Moreover, promises of job opportunities for the surrounding community have yet to be realized. As the Hallo resident quoted above laments: 'GODU made a lot of promises, but could not fulfil a single one of them. Where are the job opportunities they promised? Where is the share for the community? Their [managing] officials are not even visiting this area.'⁴⁴ Only time will tell if the company's promises are deliverable.

38 See: <https://www.facebook.com/GoduTrading/photos/a.305968094877966/359166669558108>.

39 Interview with resident, Hallo *kebele*, 16 October 2022.

40 Interview with GODU Board member, Addis Ababa, 22 October 2022.

41 Damene Abebe. 'Conflict Trend Analysis: Western Oromia', Rift Valley Institute, March 2023, https://riftvalley.net/sites/default/files/publication-documents/RV1%202023.03.14%20Western%20Oromia_Conflict%20Trend%20Report.pdf.

42 See for example: <https://twitter.com/OromiaCMC/status/1543243573554024449>.

43 See for example GODU's promotion of its very own version of social corporate responsibility: www.facebook.com/GoduTrading/photos/a.305968094877966/367606272047481.

44 Interview with resident, Hallo *kebele*, 16 October 2022.

THE POST-2018 POLITICAL ECONOMY OF GOLD EXTRACTION

Since the appointment of Takele Uma, a PP member from Oromia, as minister of mining in August 2020, the licensing and prospecting of gold in the Guji zones has brought a new constellation of actors onto the scene. Takele's strong connections to the region's political and business elites, coupled with the federal government's thirst for foreign currency, has eased the transfer of concessions to party-affiliated private and public companies.



Wildcat miners near Laga Dambi, photo by Tom Gardner

One of the newly established gold mines is operated by TUMSA—a public enterprise owned by Oromia regional state. Despite pledges to privatise the economy, under the PP government regional public enterprises continue to play a central role in Ethiopia's economy, ensuring a strong degree of state control by selectively granting limited access to strategic resources – such as gold – to private companies.⁴⁵ According to local informants, 'TUMSA is becoming another MIDROC' in terms of its violent and coercive approach to land expropriation, leading to the displacement of local populations in the Guji zones. TUMSA was also involved in attempting to attract foreign investors into a joint venture for the Okote gold mine project now operated by

45 Ashenafi Endale, 'New breed regional conglomerates replicating EFFORT', The Reporter, 12 March 2022, <https://www.thereporterethiopia.com/22566/>.

GODU and plays an increasingly dominant role as a regulator and facilitator for access to gold in Guji.⁴⁶

A member of the team of local elders who visited the minister in 2021 to appeal about land expropriation by Oromia Mining Company had the following to say:

We were chosen by our people to represent them and appeal to the minister. We travelled to Addis Ababa and got the chance to talk to Obbo Takele Uma. We complained that the new company called Oromia Mining Company threatened to take our land. The elders of the company said we should vacate the land in a few days, but we said, ‘Where do we go? This is our land, and it is where we earn our living.’ After listening to our issues, he furiously said, mining is a priority of the government. Let alone the farmland, we will bulldoze your houses if we think there is gold beneath it. We had nothing to say, we returned and are now waiting for what they will do.⁴⁷

The PP’s opening up of investment space for local business elites, alongside the necessity of collaborating with regional and federal political authorities in order to obtain concessions, has led to partnerships being fostered between local and national elites. Under the EPRDF, local resource extraction was dominated by TPLF-affiliated companies, including MIDROC. Rather than doing away with the patronage system, the PP has created a new political and economic constellation. Business companies from Oromia with strong connection to individuals within the PP at regional or federal levels are major actors in the extraction of resources in the Guji zones, as well as in Oromia more generally.

Following the post-2018 political realignment, high-level political elites in Oromia region have interpreted the Guji’s previous sufferings due to MIDROC’s toxic chemicals in a very different light from the above-quoted elder. Instead, they have chosen to emphasize the economic value of gold mining. As early as August 2018, in a meeting held with Guji elders, scholars and government authorities, the then deputy minister of mines declared:

We acknowledge that you suffered under the previous [EPRDF] regime. It was a government that never listened to your voices and your pleas but now, you have your own government. [But][you should also acknowledge that it will be a big shame and embarrassment if your youth would block the government from utilizing the resources while the country is ruled by your own government, a person who speaks your language, who belongs to you. If the national treasure goes empty, our enemies would say ‘they can’t lead the country’. Therefore, please advise your youth to collaborate with us. We will

46 A report by Oromia Media Network underscores the notion that ‘TUMSA is becoming another MIDROC.’ https://www.facebook.com/watch/live/?mibextid=NnVzG8&ref=watch_permalink&v=695341818721389.

47 Interview with local elder, Aagaa Wayyu, October 2022.

also find mechanisms to make people benefit from it.⁴⁸

As can be seen, the deputy minister made clear that gold could not only serve in repairing the deteriorating economic situation but help the government gain political legitimacy. Although the government initially (in 2018 and 2019) used persuasion and consensual politics, it gradually shifted to asserting its sovereign claim over resources through the politics of coercion. The following statement, made by the head of Oromia Bureau of Mining in early 2021, a few weeks before the official reopening of MIDROC Laga-Dambi, exemplifies this shift:

there is nowhere in the world where a sovereign nation asks any group—so-called human rights groups—whether it can utilize its mineral resources for the development of the country. Now, whether we like it or not, the government is going to open the mine and will give other licences to new companies, but we will ensure our people will benefit from it. Any unlawful resistance that obstructs the operation of the mine will be seriously punished.⁴⁹

The resentments underlying the mass protests that provoked the suspension of MIDROC's licence in 2018 had two dimensions. Firstly, there was the issue of human and environmental health, with toxic chemicals released from the mine leading to horrendous impacts such as stillbirths, miscarriages, child paralysis and physical deformity.⁵⁰ Secondly, there was the issue of community access to resources and employment opportunities. These protests against MIDROC and the EPRDF regime were also, however, part of the broader Oromo uprising against the regime sparked in 2014, which revolved around attempts to centre Oromia at the federal level and eventually led to the 2018 political 'transition' within the EPRDF.

Soon after Abiy became prime minister in April 2018, the government deployed consensual politics in a bid to persuade local elites to get on board with reopening MIDROC Laga-Dambi. Both the federal and Oromia regional government worked hard to co-opt local Guji elites, particularly politicians and businesspeople. This co-optation was first put into practice in 2019 through the transfer of a concession in Okote previously held by MIDROC to local business group GODU General Trading S.C. Following this, coupled with MIDROC's secret meetings with local elites between 2019 and 2021, no major opposition arose to the reopening of MIDROC Laga-Dambi. This came on top of the government's failure to disclose research findings by independent researchers (including one of the authors of the report at hand) from Bule Hora and Dilla universities in 2019 on the impacts of the mine over the past two decades.⁵¹ Two important points should be noted here in relation to the transfer of the Okote concession to GODU. Firstly, the transfer was part of the government's tactic of empowering local business

48 Deputy Minister of Mines, meeting in Adama, August 2018.

49 Head of Oromia Bureau of Mining, public meeting in Adola, 21 March 2021.

50 Gardner, 'We are the walking dead'; Regassa, 'Frontiers of Extraction'.

51 'Socio-economic assessment of MIDROC Gold mine in Oddo Shakiso, Guji zone', Dilla and Bule Hora Universities, 2019, unpublished.

groups while simultaneously reducing the political and economic power of the oligarchs established under the TPLF/EPRDF regime. Secondly, as already highlighted, giving local elites easy access to mining concessions was part of a strategy aimed at silencing local opposition to the reopening of MIDROC Laga-Dambi.

Abiy's government did not take long to change its populist rhetoric. Having silenced local elites through co-optation, the government increasingly resorted to coercive acts of power, including arresting, intimidating and even killing individuals who spoke out against the reopening of the mine or land expropriation more widely. Thus, the space available for local agency in influencing decision-making processes was steadily eroded to nothing. According to informants, over a hundred individuals were arrested in 2021 and 2022 in connection with the local population's alleged opposition to the reopening of MIDROC Laga-Dambi.

As previously mentioned, the impact of GODU Okote on local communities is not yet clear. Regarding MIDROC Laga-Dambi, however, despite well-documented evidence of severe health and environmental impacts inflicted over its 20 years of operation, the mine has reopened without any of these issues being properly addressed. Moreover, our sources from the company and residents in the mine's proximity continue to claim MIDROC's recruitment processes are highly biased and exclusionary. Local community members are excluded from job opportunities either because vacancies are announced in Addis Ababa or on the basis they do not have the necessary skills or competencies. These practices of exclusion, which arose in the pre-2018 period, were also addressed in the above-mentioned unreleased report by researchers from Bule Hora and Dilla universities. Whereas in the past, ethnicity as well as political affiliation factored into exclusion/inclusion, now it is political affiliation that matters most. Thus, membership of the PP is a crucial factor in getting a job at MIDROC, TUMSA or other state-affiliated mining companies. In addition, MIDROC has continued to adopt a socially secluded approach to extraction, evading any meaningful economic and social interaction with residents. For instance, its employees do not use local milk, meat or vegetables due to their knowledge of the environmental pollution in the area, which, ironically, is caused by toxic chemicals from MIDROC itself.⁵²

In the post-2018 period, the licensing and governance of gold extraction has been carried out through strong partnerships between Oromia and federal institutions, with party politics playing a crucial role in the exclusion/inclusion of local elites. Specifically, PP members are using politics as a tool to access resources, while excluding others by accusing them of supporting opposition parties. On this point, a Shakiso resident observed:

Here is a state-owned enterprise named TUMSA that is currently joining the extractive industry; it is not clear if TUMSA is purely a state enterprise because rumours would have it that it belongs to important politicians but nobody knows the details. It is now taking over two companies: the Kenticha Tantalum mining and former Adola Gold Enterprise,

52 Asebe Regassa, 'Frontiers of Extraction'.

also known as UlaUlo Gold.⁵³ The government is snatching it from Guji youth who had been working there. Many youths are losing their jobs. Previously there were about 11 micro and small enterprises working on Kenticha alone as group-based enterprises. It seems the dispossession was pre-planned, some youths were labelled as OLA supporters and members, the remaining denied access; later security forces were assigned to protect the site. Now it is taken over by TUMSA. I think PP is repeating the same thing the TPLF-led EPRDF did. TPLF had named the UlaUlo Gold as ‘Tigray Setoch Mahber Limat work’; that same thing is coming again.⁵⁴

In contrast to pre-2018, when decisions on resource extraction were made by the authoritarian TPLF-dominated government within which the Oromo Peoples’ Democratic Organization was only a nominal presence, the incumbent PP government has emboldened Oromia-PP, allowing it to influence Ministry of Mining decisions on the granting of licences. This ‘decentralized despotism’ has also increased the agency of local elites, giving them the political leverage to access local resources and exclude those deemed to be siding with opposition political parties. One local businessman who planned to try and obtain licences for gold extraction observed:

In the past, you couldn’t even think of asking for licences because the Tigrayans would only give it to their people. Now, [that] our own people are in power, they also only give licences to members of the *Badhaadhina* [PP]. I don’t think they will give me the permission [to obtain a licence]. They often label me as *Shanee* [OLA, labelled by the government ‘OLF-Shanee’]. Their members are getting [access to licences and concessions] even without fulfilling any requirement. This is not fair.⁵⁵

Overall, while the current PP regime is similar to the TPLF/EPRDF regime in terms of its top-down approach to resource governance and the violent forms of land expropriation employed, two major differences are evident. Firstly, in the past, access to mining concessions was based on ethnic—mainly Tigrayan—affiliation; today, it is political party membership (of the PP) that is key. Secondly, unlike during the TPLF/EPRDF regime, when the Oromia regional state administration was weak and excluded from decision-making on mining, the regions now play a central role. It is the regional state’s active involvement in mining, together with its exercising of brute force, that means the system can be characterized as decentralized despotism.

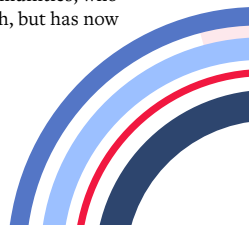
CONFLICT AND PEACE

As described above, gold extraction in the Guji zones is controlled by the government, which grants concessions to private and public companies. While artisanal mining was practised

53 Kenticha Tantalum mine was owned and run by the Ethiopian Minerals, Petroleum and Biofuel Corporation until 2018, when the mine was suspended following protests by local communities, who accused the mine of polluting the environment. Later, the mine was given to local youth, but has now been taken over by TUMSA, which is owned by Oromia regional state.

54 Interview with businessman, Oddo Shakiso, 20 October 2022.

55 Local elder, Shakiso town, October 2022.



by local communities long before the arrival of the industrial mining companies, and is still underway in marginal areas, for the most part artisanal miners have been pushed away from their traditional mining sites. Towards this end, the government (i.e. the Ministry of Mines) has vowed to crack-down on ‘illicit’ mining and formalize ‘informal’ mining.

More generally, farmers have been dispossessed of their land, toxic chemicals have polluted rivers, causing horrendous health impacts, and enclave extraction has restricted economic trickle-down effects. Since 1991, issues of resource access, as well as human and environmental health, have provoked conflict not only in Guji but across Oromia. During the 2014–2018 Oromo Protests, for example, the issue of MIDROC Laga-Dambi was among the grievances that mobilized protesters from all corners of Oromia, with the protest primarily motivated by the renewal of MIDROC’s concession licence in May 2018 leading to five protestors being killed and seven injured by government security forces.⁵⁶

In a seeming continuation of the overt, coercive exercise of governmental power used pre-2018, the PP administration has often adopted a violent approach to suppressing resistance and silencing dissent. For example, between March and May 2021 alone, 51 local community members were arrested in connection with their public criticisms of MIDROC Laga-Dambi’s reopening. Similarly, in September 2022, dozens of people from Didola village were arrested in the wake of complaints against MIDROC and questions about accessing rocks for artisanal mining. The government has accused these people of illegally intruding on the company’s concession sites. Now, with the closure of space for public opinion, contestations and resistance are limited to what James Scott refers to as ‘hidden transcripts’.⁵⁷

The *Gadaa* system provides strong indigenous institutions for conflict resolution and peacebuilding, with disputes within a group or with neighbouring communities often resolved through such mechanisms.⁵⁸ The PP government has, however, following the example of the EPRDF in weakening and co-opting *Gadaa* leaders, significantly reduced their legitimacy within Guji society. In December 2021, 14 Karrayyu *Gadaa* leaders were massacred by government security forces for defying government attempts to co-opt them.⁵⁹ More generally, the

56 ‘Five people killed in Legadembi gold mine protest’, *Ethiopian Observer*, 9 May 2018. www.ethiopiaobserver.com/2018/05/09/five-people-killed-in-legadembi-gold-mine-protest/.

57 ‘Hidden transcripts’ denotes people’s expressions of emotion, anger and resentment against a dominant actor (e.g. the state, a multinational company, slave owner, colonial administrator) in a non-public space where they can speak and express their feelings without fear of retribution. By contrast, ‘public transcripts’ are public proclamations of loyalty to powerful actors. See: J. Scott, *Domination and the Arts of Resistance: Hidden Transcripts*, Yale University Press, 1992.

58 For details, see: A. Regassa, ‘Emerging Ethnic Identities and Inter-Ethnic Conflict: The Guji–Burji Conflict in South Ethiopia’, *Studies in Ethnicity and Nationalism*, 12/3 (2012).

59 Siyanne Mekonnen, ‘No sign of redress for Karrayyu Abba Gadaas executed by Oromia police despite state minister, MP named culprits’, *Addis Standard*, 17 January 2022. <https://addisstandard.com/analysis-no-sign-of-redress-for-karrayyu-abba-gadaas-executed-by-oromia-police-despite-state-minister-mp-accuse-culprits/>.

intimidation and imprisonment of *Gadaa* leaders, as well as interference in their affairs, has become more apparent than ever under the PP.

An important entry-point for resolving resource-related conflicts and the grievances of local communities is participatory and inclusive resource governance. In this regard, an elder from Didola village observed:

We know the gold in our land is just a rock if it is not used. We also know the government can use it for the benefit of our country. However, we don't want someone coming and snatching our resources while our youth are jobless, our people don't have health care, schools and roads. If gold doesn't bring these facilities, how do we call the mine is for us? In short, we need our share from it. Or our investors, our youth and the community should get unrestricted access to the resources. You know what this company [MIDROC] caused. People are still dying. Rivers are polluted. These should stop.⁶⁰

Existing proclamations on how much the federal government, regional state and local communities should respectively get from resource income (e.g. taxes, royalties) are unclear. In addition, the government has neither compensated communities nor punished MIDROC for the negative health, environmental or livelihood impacts inflicted over the past 20 years. As such, proper accountability measures need to be put in place, and robust health and safety protocols designed.

The reopening plan for MIDROC Laga-Dambi and the boundary disputes that have arisen in relation to this represent another potential source of conflict. Rumours have circulated that MIDROC has been granted additional land beyond its previous concessional territories, despite these boundaries not being adequately demarcated. Now, local communities are worried about losing their ancestral land and access to other essential resources, such as artisanal mining sites and farmlands. A resident from the area explained:

I have heard of the expansion of the company's concession, but it is not yet formally communicated to our people. It will be a dangerous move and may cause the loss of many lives; this is where I saw myself since my early childhood and now, I am a grandfather. Where shall I go at this age and where will my family go? This is my forefathers' land; we didn't go to the company, but it came to evict us. As if what they spoiled our land, destroyed our health, and grabbed our land is not enough, now they are coming to displace us. We protested these all, and expected change, but things are going to be the worst.⁶¹

Recently, different strategies of exclusion have emerged. One is labelling people as supporters of the 'enemy' (i.e. the OLA), while another is categorizing people as illegal miners and criminalizing their activities. Local people also complain they are denied a fair price for

60 Interview with Guji elder, Didola *kebele*, 5 April 2019.

61 Interview with resident, Rejji *kebele*, 16 October 2022.

artisanally produced gold, with government authorities often claiming that given such gold is extracted illegally, miners should not be paid as much as for gold produced through industrial mining. As one artisanal miner reported:

we are not getting fair price for the gold. As an option we have tried to sell it through Kenya where we get a better price, about ETB 1,000 per gram, but that is now forbidden and considered as illegal. The government didn't work on improving the prices—rather intimidating and arresting artisan miners has continued.⁶²

Local people's attempts to oppose the reopening of MIDROC Laga-Dambi or the granting of licences to new companies, including GODU, have often been suppressed by newly established local representatives seen as co-opted elites by local people. A resident from Gidhe *kebele* claimed:

Our voices are often silenced by representatives and local authorities who divide and intimidate our people. The government authorities tactically play a game of dividing representatives and bribe some of them to their side. Though we didn't directly select community representatives to negotiate on behalf of his community, we have observed that the government along with the MIDROC Gold appointed influential individuals who have acceptance in the community. Some of them participated in the protest in the past, and I didn't expect them to sink this much. *Dubbiin dubbii daakuu bishaan fiduu deemte sanaa ta'e. Bakka nu bu'u jennee namoonni amaanaa itti kennanne waan ta'an wallaallee.* We don't know what exactly happened to them, but those we thought they would represent us couldn't make any change on behalf of us. Some who have had firm positions were silenced and withdrew from participation, whereas others grabbed some personal benefits, taking opportunities of their position as community representatives. So, we have these two categories.⁶³

These local accounts demonstrate that the government is failing to adhere to principles of participation and prior and informed consent of local communities when prospecting for and extracting gold. Rather, it deploys a combination of co-optation and coercion.

62 Interview with young person engaged in artisanal mining, Didole *kebele*, October 2022.

63 The italicized text translates as: 'It became like the proverb about flour that absorbed water and disappeared along the way. We thought they would represent us but they were lost like the flour'. Interview with resident, Gidhee *kebele*, 25 October 2022.

POLICY CONSIDERATIONS

The state remains a strong actor in shaping the political economy of resource extraction in Ethiopia, displaying continuity with the past. Unlike the EPRDF period, however, when the federal government was the absolute decision-maker in licensing and managing gold extraction, the PP has adopted a relatively decentralized approach, emboldening Oromia regional state to exert influence in who gets access to, and who is excluded from, resources. In this context, political affiliation to the PP by business companies or individuals represents an easy gateway to resource access, while support for opposition parties or being suspected of OLA sympathies is used as a tool for exclusion and silencing dissent. Aside from some local elites and business individuals, local community members are still marginal to decision-making around who benefits from and accesses resources, despite bearing the bulk of the burden in terms of health and environmental problems.

The core features of centre–periphery relations and frontier expansion are still prevalent in geographical imaginations of state officials or company managers who see peripheral spaces—including their land and resources—as sites of bounty, whose potential value remains ‘underutilized’. A decentralized form of violent extractivism is in the making in the Guji zones, with local communities coercively expropriated of their land and suppressed should they attempt to oppose such expropriation. An indicator for this is the PP government enforced resumption of MIDROC’s Laga Dambi gold mine project in March 2021, which had been halted following protests towards the end of EPRDF’s reign. Given the continuity of the EPRDF’s exclusionary, top–down resource extraction, control and governance under the PP government, the potential for conflict and violence is considerable. Any meaningful pathway to peacebuilding requires a transparent, inclusive and participatory resource governance in which local communities can not only voice their views but benefit from gold extraction. In pursuit of this, we recommend that the following areas of focus are pursued:

- **ACCOUNTABILITY:** The government should launch a transparent, participatory investigation into the impacts caused by MIDROC’s activities over the past 20 years, ensuring the company is held accountable for the human, environmental and economic damage it has caused. Here, a recent Human Rights Watch report reveals the tremendous harm MIDROC has inflicted in these areas.⁶⁴
- **COMPENSATION AND REHABILITATION:** In order to ensure peaceful relations

64 Human Rights Watch, ‘Ethiopia: Companies Long Ignored Gold Mine Pollution’.

between society and MIDROC, as well as build trust in the government and newly emerging companies such as GODU, the government should compensate victims of MIDROC Laga-Dambi. Also vital is rehabilitation of the socio-economic conditions enjoyed by people in the region.

- **DIALOGUE AND FREE, PRIOR AND INFORMED CONSENT:** Participatory decision-making, including the free, prior and informed consent of local people, is key to building trust and ensuring communities benefit from mining. Moreover, dialogue around identifying people's interests, resentments and grievances, as well as creating amicable solutions involving Guji *Abba Gadaas*, scholars, youth representatives and other sectors of the community, is crucial.
- **PARTICIPATORY RESOURCE MANAGEMENT:** Benefit-sharing and participatory decision-making mechanisms for local people should be put in place, particularly concerning matters that affect their lives and livelihoods.



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