

# STELLA MARIS MTWARA UNIVERSITY COLLEGE

(A Constituent College of Saint Augustine University of Tanzania.)

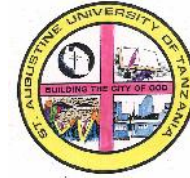


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## SUSTAINABLE USE OF NATURAL RESOURCES – GOLD MINING IN THE LAKE ZONE

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## **PREAMBLE:**

### **1.1 Terminology Clarified**

#### **1.1.1 Sustainable Use**

This refers to a focused and conscious use or management of both renewable and non-renewable natural and/or human resources without endangering the current dignity and wellbeing of human and natural resources (minerals, soil flora, soil fauna, biodiversity etc) in short, medium and long-term scenarios for thousands of years to come. In recent years the term like “sustainability” “smart growth”, “green growth,” “integral development,” “sustainable development,” etc have been used to connote or imply the same concept of sustainable use or management or governance.

#### **1.1.2 Natural Resources**

By natural; resources is meant all naturally (geographically) occurring substances, materials, elements etc which are highly precious, valuable and relevant. Tanzania and particularly the Lake Zone is endowed with very rich mineral wealth in Africa. This includes gold, diamond and other precious gems and various kinds of mineral ores. Unfortunately, it can justifiably be argued that, despite all these precious minerals, particularly around the Lake Zone, these parts and communities remain comparatively rather poor and under-developed. Briefly, in the last 53 years of independence, the reality has remained of a “Mineral curse” rather than of a “Mineral blessing.”!!!

### **1.1.3 Thought Provoking Ethical And Value- Based Questions**

What types of minerals are found particularly around the Lake Zone? To what extent have the communities and people around the Lake Zone benefited from gold and diamond mining especially in the last 52 years of our independence? Were the people around these regions fully involved in the processes of gold mining? Has there been really sustainable use of gold particularly extracted from Geita Gold Mine and North Mara? Could we rightly affirm that the extractive industry particularly of gold around the lake zone was a mistake? Was Nyerere right by saying that the extractive industry should have waited for the opportune and right time? What are the visible and invisible long-term effects and consequences of artisanal extractive mining to the communities, peoples, biodiversity, fish, etc around Lake Victoria Zone? How do political propaganda, selfishness and greed affect sustainable mining around the Lake Zone? Has the government of Tanzania failed against corruptive practices such as tax evasion, illegal mining contracts, resource depletion and massive environmental destruction especially around the Lake Zone? To what extent has gold mining been translated into sustainable health care, water services, educational institutions and peaceful communities especially around the mining areas (E.g. Geita Town, North Mara etc)? What could we now do as pupils? Students? Academicians? NGO? etc.

How could we make gold revenues really transform the Lake Zone in particular and Tanzanian communities in general? Do we have the courage to develop ethics of sustainable growth and poverty reduction in Tanzania especially through gold mining? How should local communities especially around the gold mines in the Lake Zone be fully engage in the process of gold mining for sustainable livelihood and transformation? Finally what should “GEITA” and “GOLD” now mean? What are the effects of tax evasion to mispricing and corruption to gold mining? And to Tanzania as a whole?

## PART ONE

### EMPIRICAL PART

#### 1.0 GOLD EXTRACTIVE INDUSTRIES AROUND THE LAKE ZONE:

##### 1.1 General Production Overview

NAME OF EXTRACTIVE COMPANY	OWNER	LOCATION	MINERAL TYPE	ANNUAL CAPACITY	MINE STATUS
1) GOLDEN PRIDE MINE	RESOLUTE	NZEGA	Gold	200,000 Ounces	Production Since Febr. 1998
2) BULYANHULU GOLD MINE	AFRICAN BARRICK GOLD	KAHAMA	Gold	400,000 Ounces	Production Since July 2001
3) BUZWAGI (CHOC REEF)	AFRICAN BARRICK GOLD	KAHAMA	Gold	200,000 Ounces	In Production
4) TULAWAKA	AFRICAN BARRICK GOLD	BIHARAMULO	Gold	120,000 Ounces	Closing
5) GEITA GOLD MINING LTD	ANGLO GOLD ASHANTI	GEITA	Gold	650,000 Ounces	In Production Since August 2000
6) NORTH MARA GOLD MINE	AFRICAN BARRICK GOLD	NYAMONGO	Gold	200,000 Ounces	_____
7) TANZANITE	RICHLAND RESOURCES	SIMANJIRO	Tanzanite	900,000 Carats	_____
8) WILLIAMSON DIAMONDS LTD	PETRA DIAMONDS	MWADUI	Diamonds	200,000 Carats	_____
9) KABANGA NICKEL PROJECT	GLENCORE/XSTRAT A	NGARA	Nickel	_____	Feasibility Study
10) LUIKA GOLD MINE	SHANTI MINING	CHUNYA	Gold	60,000 O <sub>2</sub>	In Production Since 2012

(Source: Tanzania Chamber of Minerals and Energy: Status of Large Mining Projects in Tanzania, June 2013)

Ethical and Value-base Explanation(s): First, Gold Mining around the Lake Zone has been going on for years now. In Africa Tanzania ranks fourth greatest gold producer.

Second, the following scenario have not rendered this extractive (gold) industry economically sustainable

- a) Tax evasion administrative weakness revenue loss and an inefficient and ineffective tax system in Tanzania.
- b) Lack of “Publishing What You Pay (PWYP) Cullim and abiding fully to EITI’S criteria and principles.
- c) Massive corruption practices
- d) Massive environmental destruction
- e) Unreported transactions
- f) Alleged financial over claims in the mining gold industry.
- g) Trade mispricing and capital flight
- h) Policy and institutional weaknesses
- i) Dangers towards the “Dutch Disease” along the Lake Zone. That is anon diversified economy.
- j) Weakness on Mining Contracts.
- k) A weak Model or System of Corporate Social Responsibility (CSR)
- l) Lack of effective tax incentives.

1.2 African Barrick Gold Half Year Report For The Six Months Ended 30  
June 2014

(US\$'000) (Unaudited)	Six months ended 30 June 2014			Six months ended 30 June 2013		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Revenue	445,509	-	445,509	487,360	12,392	499,752
Cost of sales	(332,474)	-	(332,474)	(386,733)	(28,151)	(414,884)
Gross profit	113,035	-	113,035	100,627	(15,759)	84,868
Corporate administration	(13,975)	-	(13,975)	(17,583)	(1,301)	(18,884)
Share based payments	(4,917)	-	(4,917)	3,861	114	3,975
Exploration and evaluation costs	(10,995)	-	(10,995)	(7,715)	161	(7,554)
Corporate social responsibility expenses	(4,307)	(92)	(4,399)	(6,228)	(690)	(6,918)
Impairment charges	-	-	-	(910,989)	(16,701)	(927,690)
Other charges	(12,782)	958	(11,824)	(15,597)	(6,496)	(22,093)
Profit/(loss) before net finance expense and taxation	66,059	866	66,925	(853,624)	(40,672)	(894,296)
Finance income	630	36	666	995	10	1,005
Finance expense	(4,504)	(16)	(4,520)	(4,696)	(79)	(4,775)
Profit/(loss) before taxation	62,185	886	63,071	(857,325)	(40,741)	(898,066)
Tax (expense)/credit	(22,716)	-	(22,716)	184,648	-	184,648
Net profit/(loss) for the period	39,469	886	40,355	(672,677)	(40,741)	(713,418)

(Source: www.africanbarrick plc (“ABG”), Half Year 2014 Results)

**Question:** How concrete are these revenues being translated into sustainable growth in Tanzania today.

### 1.3 Summary of Estimates of Losses from Tax Income

<u>Source of Tax Income loss</u>	<u>Lowest estimates of annual Tax Income loss</u>	<u>Highest estimates of annual Tax Income loss</u>
<b>Corporate Tax exemption</b> (Those companies which have tax exemption certificate from the Tanzania Investment Centre, mining sector companies and other private companies.)	Tsh 458.6 bilion (\$288 milion)	Tsh 458.6 bilion (\$288 milion)
<b>Capital stashed out of the</b>	\$28-198 milion (Tsh 45-315)	\$300 milion (tsh4478 bilion)

<b>country illegally</b>	bilion	\$150 milion (tsh239 bilion)
In its place they put false business value	\$33-38 milion (Tsh 53-61 milion bilion)	
<b>Inflated claims from minerals sector.</b>	\$50-100 milion (Tsh 80-160 bilion)	\$176 milion (Tsh 280 bilion)
<b>Business transactions and losses not correctly reported by the companies</b>	Tsh 240 bilion (\$151 milion)	TSh 600 bilion (\$377 milion)
<b>Informal sector</b> (loss of income from those who are not poor and do not pay taxes)	<b>Tsh 350 bilion</b> (\$220 milion)	<b>Tsh 600 bilion</b> (\$377 milion)
<b>Total</b>	<b>\$847 milion</b> (Tsh 1.17 trilion)	<b>\$1.29 bilion</b> (Tsh 2.06 trilion)

(Source: NORWEGIAN CHURCH AID actalliance September 203)

The loss is estimated to top US Dollar 1.07 bilion (Tshillings 1.7 trilion) comes close to one sixth of the entire government expenditure of shillings 9.5 trilion for the year 2009/10. If the revenue lost from uncollected taxes were to be spent on education, the budget for education would have doubled; expenditure on health would have increased by more than twice and expenditure on agriculture – the sector which is hardly allocated sufficient funds- would have received three fold its budget. Indeed, Tanzania would have been able to minimize greatly its dependence on foreign assistance. The amount lost through uncollected taxes is greater by half the financial assistance Tanzania received during the year 2009/10 (shillings 3.2 trilion.)



## **PART TWO: ANALYTICAL PART**

### **2.0 A CRITICAL POST-MORTEM: GAPS, DISCONNECTS DISCREPANCIES AND INCONSISTENCIES**

#### **2.1 National and Institutional Incapacities, Ineffectiveness and Weaknesses to enforce the following:**

- Transparency and accountability in the mining contracts (Refer: Tanzania's failure to comply with the EITI's requirements in accounting for over 24 bn Tsh. earned through minerals and particularly gold.
- Ineffective system of royalty collection

#### **2.2 Existence of Outdated and irrelevant mineral laws and policies to the following consequences:**

- Massive tax evasion maneuvers in gold revenues.
- Lack of accountability, comprehensive planning
- Creation of tax havens and transfer pricing and mispricing
- Tax regulation abuse
- Criminal practices
- Questionable fiscal regimes
- Problems of developing comprehensive and coherent natural resources (gold) agreements, policies etc.
- The absence of systematic and transparent reporting sectorial organs and mechanisms.

- Mismanagement of revenue, unnecessary public spending on gold revenue.

### **2.3 Absence/ Lack of the “Publish What You Pay” Model and best Practice**

- The presence of destructive culture and syndrome of not “extracting” and putting publicity the real truth among gold mining companies, the government and the ministry concerned.
- Publishing What You Pay means how to ensure the possible what are the companies really paying for the extracted? Where should the money go? Was it worth it? Did the money reach the state coffers? Was the deal sustainable? Worth it? Etc.

### **2.4 The Presence of Weaknesses in Natural Resources (Gold) Policy Paradigm/and ideologies models.**

Indeed, such failures, weaknesses and “lacuna” can adequately be encapsulated in the following paradigm:

- “*The Business As Usual*” Natural Resources (Gold) Policy Model. It lacks the values of empathy, care, concern and common welfare.
- “*The Greedy Jackal Mineral Resources* (Gold) Policy Model”

This is characterized by the vices of greed, consumerism, egoism and self-centeredness particularly among the managers, CEO’s, directors, companies and the government. People particularly the poor and communities are excluded from the “gold cake”

- *The Busy Bee Mineral/Natural Resources* (Gold) Policy Model”
- This policy lacks focus, dedication and implementation plans and strategies particularly on sustainable extractive (gold) industry as a whole.

- *“The Dog Eat Dog Natural Resources/ Mineral (gold) Policy Model”*
- This model portrays the extractive industry as a very hostile, competitive and “lonely” enterprise. Consequently, it promotes the philosophy of trampling on others; otherwise you yourself will be trampled upon!
- The issue of local content and participation of the nation in the extractive (gold) industry is simply a dream.
- *“The survival of the Fastest Natural Resources Mineral Policy (Gold) Policy”*
- It promotes a speed mania culture and strategy as a means to achieve business success and profit. The “slower” thinkers, actors and performers here no chance. This new life view and culture has its genesis from the Darwinian view of the survival of the fittest.”
- *“The Nice Guys/Girls Come Second Mineral (Gold) Policy Model “* This propagates the belief that it is simply impossible to be both ethical oriented and successful in (mineral) extractive industry or business enterprise.
- *“The Naïve Resource/ Mineral Deposits And Development Policy Illusions” Policy Model.* This policy erroneously believe on such things like “resources are limitless,” they are eternal, the government has the full mandate on resource extraction and revenue spending, commitment for socio-economic transformation of the poor is not priority number one, the ruling party has “proprietary rights over resources, politics and not professionals is the tool for sustainable natural resources management etc.

## **2.5 Extractive (Gold) Industry And Land Related Injustices And Risks**

The extractive industry and particularly gold involves enormous use of heavy metals and hazardous chemicals. These have irreversible and destructive environmental (ecological) implications and consequences to soil, plants, water, and biodiversity as well as to humans. A tracer study by Asger R. Almas et alii (2009) indicated toxicity in sediments and water particularly in the vicinity of the Geita Gold Mines (GGM) and the North Mara Gold Mine (NMGM) around the Lake Zone.

Indeed, result findings in Nyakabale around the Geita Gold Mine (GGM) indicate that heavy and hazardous metals, substances and elements particularly Arsenic (AS), Chromium (Cn), Copper (Cu) and Lead (Pb) have affected the integrity and fertility of soils around that area. The same sad scenario has been found in Tarime around the North Mara Gold Mine (NMGM). The most affected areas include river Nyabilama which pours its water into River Mara (Kirumi Bridge) Ikwinyunyi and Nyabigena.

## **2.6 Massive Failures And Weaknesses in Gold Revenue Collection Mechanisms**

Among other studies and researches the 2012 publication dubbed as “*The One Billion Dollar Question*” (2012) by the Norwegian Church Aid (NCA) and the 2008 “Golden Opportunity” by Mark Cutis and Tundu Lisu, indicate clearly the wanton failures and loss in gold revenue collection in Tanzania. This has been propelled particularly by lack of leadership ethics, foresight, transparency, uprightness statesmanship and diligence especially

from the concerned organs, institutions and personnel concerned with tax and revenue collection.

## **2.7 Discrepancies, Weaknesses And Conflicts Between Mineral (Natural Resources) Contracts, Regulations, Laws and Constitution.**

At this juncture one may ask the following questions as far as minerals jurisprudence is concerned. Is the mining (gold) contract the exception or the rule? Does Mining law take precedence over the contract? To what extent do the government and mining companies observe the hierarchy of law? (i.e. Contract Regulations ► Laws Constitution?) What does the contract cover? Who and where are the mining contracts being made? How long does the contract last? Who sits at the negotiating table? How authentic are the mineral contracts and the licenses regimes? How genuine and transparent are the reports on production? Environmental Impacts? How is the money or revenue, royalties, profits etc being spent? Which criteria? What are the environmental, human and social issues and challenges particularly at the closure of the mine? Are sustainable communities and livelihoods viable? Manageable? Realistic?

## **2.8 Unhealthy Relation Between Extractive (Gold)M Companies and Local Communities**

It is not uncommon to hear or witness violence, hostility and conflicts between mining companies and local communities around mines and especially gold. This is clearly evidenced around the Geita Gold Mine and North Mara Communities in the Lake Zone. Personally, I chanced to witness such crises around those two places from the 23<sup>rd</sup> to 27<sup>th</sup> July 2013. I was one of the 15 delegates of the Tanzania Interfaith Standing Committee (ISC) on Economic Justice And The Integrity of Creation. This

included 2 Bishops, 1 general Secretary of the Christian Council of Tanzania (CCT), 1 representative of the general Secretary of the Tanzania Episcopal Conference (TEC), 1 member from Muslim Council of Tanzania (BAKWATA), 1 Coordinator of the ISC, technical team of the ISC, 1 Norwegian Church Aid (NCA) representative and Geita and Tarime District Inter-faith Committee. In total 15 delegates composed of 5 women and 10 men. Our key findings and observations As far as the issue of peace, common welfare and sustainability are concerned.

**2.8.1** Clashes and scramble for crushed gold residue rocks (“Magwangala” in Sukuma). This has today fuelled hostile relationship between the gold mining companies and the small scale artisanal miners. Severe biting and even killing of the people around the mines particularly by police and /or security guards are not uncommon. This hostility is a poison to sustainable relations and management of extractive industry.

**2.8.2** Lack of Sustainable Clean and Safe Water for peoples and communities around Geita Gold Mine and North Mara. This is particularly due to frequent spillage of poisonous /hazardous substances from one of the dams in North Mara in the year 2009.

**2.8.3** Presence of a healthy human interaction particularly between the local government authorities and the communities around the mines.

## **2.9 Discrepancies of the Corporate Social Responsibility (CSR) Mechanism In Extractive (Gold) Industry Today**

- Quite often, the practice of CSR particularly in the sector around the lake Zone has neither been the “Best Practice” nor “Value - for - Money Reality.” In this context there are huge discrepancies and weaknesses in

CSR especially in providing basic and quality health services, schools, and good infrastructure to surrounding communities. This is crystal clear within the Nyamongo villages. Briefly, CSR simply seems to do the bare minimum CSR need to o beyond its legalistic socio-economic, strategic and philanthropic obligations.

## **2.10 Extractive (Gold) Industry As An Engine For Massive Resource Depletion, Misuse And Mismanagement**

- Lack of transparency, accountability and good governance in “Publishing What You Pay” (PWYP), Publishing What We Learned (PWWL), in Publishing How We Spent (PHWS) etc.

## **2.11 Risks And Dangers of Plunging Into The “Dutch Disease Syndrome”**

- The Extractive natural resource industry including gold runs the risk of “prioritizing” itself as the sole growth engine at the expense of other production and social services sectors including agricultural, fishing (Marine), hospitality (tourist), education sectors o mention a few. Hence the need to diversify a monolithic gold based economic paradigm.
- In some mines, mining companies have not really being “greening” their activities both before, during and after exploration, production, export and closure phases.

## **2.12 Discrepancies and Disagreements On the Concept And Practice of Local Content**

- Does it mean total indigenization? Regionalism? Partisanism? How to share the opportunities from extractive (gold) industry revenues?

- How are land tenure, land use, conflict and contradictions salvaged? How are the conflicts resolution mechanisms and modalities? Through litigation, force, protests? Negotiations? Dialogue? Monologue? Etc Indeed there are no authentic methods hitherto. Recently, it is estimated that in Bulyanhulu, Buzwagi and Mwadui Mines, imports about half of their needs and inputs. The other half is domestically procured. However, there is need for Tanzania Mining Companies to provide a larger portion of the mine needs and services.

### **2.13 Gender Related Impacts of Extractive (Gold) Industry**

Unfortunately. Findings show that men are given most of the direct job opportunities. This affects many families and communities as men misuse their salaries more than women. On the other side men run away from the “seemingly” low paying but crucial agricultural production activities. Hence, making food productivity low and causing high food prices and inflation as a whole around mining communities.

### **2.14 Lack/Absence of A Responsible/Leadership/Governance In The Extractive (Gold) Industry**

- For many years now responsible leadership and governance of the extractive industry (gold) in particular) has been a mere political propaganda in Tanzania. How?
- Lack of the values of responsibility, accountability, transparency, capability, dignity and sustainability in managing non-renewable resources particularly gold around the Lake Zone.
- Lack of competence, Discipline, and Values among the concerned ministry, governing authorities, local authorities etc.



- Lack of effective institutional abilities in combating corruption practices related to extractive industry
- Lack of an efficient and genuine revenue management culture.
- Absence of an effective government's organ/body for sustainable mining in Tanzania as a whole.

## **PART THREE**

### **ETHICAL PART**

#### **3.0 ETHICAL PRINCIPLES, PILLARS AND BENCHMARKS FOR SUSTAINABLE MANAGEMENT OF EXTRACTIVE INDUSTRY IN TANZANIA**

Admittedly, ethical principles Criteria and benchmarks in particular, play an indispensable role in the quest for “smart” Short, medium and long-term sustainable extractive industry around the Lake Zones in particular and Tanzania in general. Among others, the following form the DNA and heart of sustainability and sustainable growth.

##### **3.1 The Principle of Sustainability of Natural Resources**

It calls for a continued use and reuse of natural resources (gold) etc) in such a degree that they are not overstressed, overburdened, exhausted at the expense of future generations of humans and non-humans. It calls for integral development, green-growth, smart growth, etc.

##### **3.2 The Principle of Interdisciplinarity And Interdependence of All Sciences/ Arts**

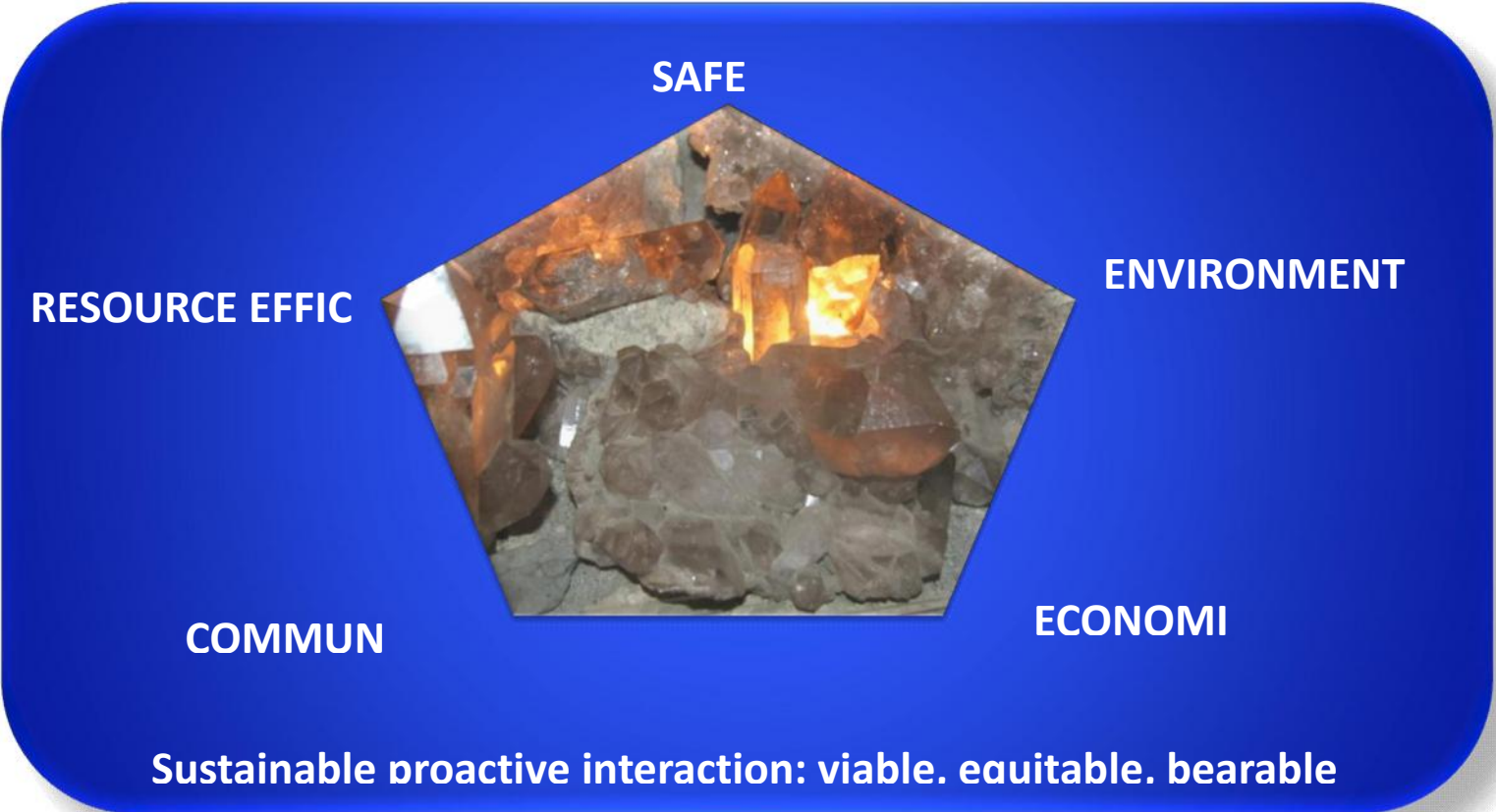
This principle underpins the relevance of the interdependency and interrelationship between multiple sciences and arts for sustainable extractive mining (gold) industry locally and globally. First, the philosophical dimension tracing the origins, nature, and cause of such minerals like gold. Second, the medical dimension which evaluates health dangers and diseases to miners. Third, the ecological dimension. It weighs

all the visible and non-visible environmental impacts to plants, animals, biodiversity etc. Last, but the most crucial the ethical dimension and perspective. That is, fairness, equity and justice realities in the entire management process and chain of production, distribution and consumption. (Aidan G. Msafiri).

**3.3 The Precautionary Principle**

It demands a truly conscientious, pro-active and transparent mindfulness attitude, culture and lifestyle for sustainable viable equitable and bearable mining industry as a whole. It uncovers multiple challenges and dangers which need to be taken seriously,

The Mining Companies' And Investor New Ethical Oriented Tools: ELENI REGLI'S MODEL (2012)



# A solid Code of Conduct

## Awareness & Responsibility

„If it's not grown, it's mined“

sustain  
economic  
progress

produce  
recyclable  
materials

provide  
employment

encourage  
innovation

efficient  
resource  
extraction

encourage  
optimal land  
use

maintain  
ecosystem/  
biodiversity

# Business Ethics in the Mining Industry - SUSTAINABLE MINING & INVESTORS



### 3.4 The Ethical Principle of Human Capital Transformation

Human Capacity building is not a favor. It is a natural right. It underscores the acquisition of relevant transformative core competences, aptitudes, skills, attitudes and norms as the engine for true change, sustainable living and common wellbeing particularly through extractive sector.

### **3.5 The Ethical Principle of Gross Happiness Index (GHI)**

It emphasizes on the paradigm shift from materialistic and quantitative based indicators of development (GDP/GNP) to the qualitatively based indicators which stresses on non-tangible values e.g. dignity, happiness, equity, fairness, personality, empathy, common good, concern, solidarity, peace and care.

### **3.6 The Ethical Principle of Common Good/Welfare/Wellbeing**

This emphasizes on holistic and sustainable approaches in promoting every one's wellbeing from the revenues and all activities of mining industry particularly the poor, oppressed, marginalized, downtrodden (e.g. women, children, youth, elderly etc) Briefly, it calls for prosperity for all starting at those who are at the Bottom Of The Pyramid (BOP) levels.

### **3.7 The Comprehensive Ethical Principle of Justice**

It necessarily entails and demands the following key aspects to be keen observed and implemented for sustainable mining (gold) industry along the Lake Zone in particular and Tanzania in general.

**3.7.1** Justice as a right for capacity building for human resource necessary for sustainable mining (gold) industry.

**3.7.2** Justice as fair participation in the entire process and production chain (exploration, production, transport, marketing) particularly by the local communities and natives surrounding mines.

**3.7.3** Justice as observation of fundamental human rights of every individual person engaged in the mining industry (material, social, health, psychological, educational rights etc)

- 3.7.4** Justice as fair, transparent, and democratic procedures and relationships among all stakeholders (local communities, government, mining companies, religious leaders, Scholars, academia etc)
- 3.7.5** Justice as fair and equal distribution of mining (gold) revenues and benefits locally (Lake Zone) and nationally.
- 3.7.6** Justice as right and due punishment to individuals, institutions, companies involved in corruption, tax-evasion, environmental destruction, loss of biodiversity, loss of resources etc.
- 3.7.7** Justice as due respect for the rights of future generations to come both for humans and non-humans in southern of years to come.
- 3.7.8** Justice as equal and fair treatment in the mining (gold) benefits particularly the poor regardless of their status, gender, faith, color etc.
- 3.7.9** Justice as equal and fair participation both in the decision making process and value chain of extractive (gold) Industry as a whole.
- 3.7.10** Justice as a basic fundamental right for the holistic transformation through the benefits and revenues of mining.
- 3.7.11** Justice as true awareness to the needs (food, shelter, clothing, motivation, appreciation etc) distribution with equity and fairness.
- 3.7.12** Justice as fair transitional process in bring about true peoples deep change and transformation. It calls for sustainable leadership and management cultures of resources and civil societies.

**3.7.13** Justice, fair and just restoration of “damages” (injury) done. These include a plethora of biological, socio-economic, human, psychological, cultural etc. damages done.

**3.7.14** Justice as a due or timely-base recognition and implementation of the rights of people. These include giving the rights in the right moment here and now.

### **3.8 The Ethical Principles of Moderation And “Deep Change”**

These demand and calls for a radically deep change against the destructive human propensity and lust for selfishness and egoism (Refer: Mahatma Gandhi: “The world has enough resources for everyone’s need, not for everyone’s greed”). Hence, it denies the modern cultures of hyper consumerism and addictive materialism and consumerism. It underscores also the ethical principle of sustainable living, sustainable communities, sustainable growth, and sustainable consumption as a whole.

### **3.9 The Ethical Principle of Inclusivity and True Peace In Extractive Industry**

It emphasizes on the values of peace not only as absence of military warfare, but more so as fairness in the distribution of the revenues from mining industry, security, happiness, gender equity and equality etc. It calls for a new “ethos” of brotherhood, solidarity, plurality, multiculturalism etc. Peace demands individual and collective efforts and stance against the “resource curse syndrome” It demands a new culture of dialogue, reconciliation and forgiveness.



### **3.10 The Principle of Efficiency Revolution in Gold Mining**

This promotes a truly new culture of a balanced use and reuse of all renewable and non-renewable resources particularly those connected with the mining (gold) industry and activities. Hence, the 4 R's:

**R** = Reduce

**R** = Reuse

**R** = Recycle

**R** = Respect

### **3.11 The Ethical Principle of AGAPE (True Love) In The Extractive Industry**

As a golden rule found in all great religions like Christianity (Mt. 22:37-39) it remains the most fundamental solution and compass of action and direction among people. It includes the due rights respecting all fundamental and /or basic rights of all humans. That is rights for good shelter, good food, hygiene, education, safe drinking water, and rights of plants, biodiversity, animals and the environment as a whole.

### **3.12 An Ensemble of Other (Key) Ethical Principles For Sustainable Mining In Tanzania Today: A Paradigm Shift**

This includes the following interrelated and interdependent value-based norms and benchmarks, criteria etc.

- Dignity
- Preservation of human life
- Democratic participation
- Good Leadership and governance
- Integrity
- Trust
- Stewardship
- Partnership
- Solidarity
- Trustfulness
- Happiness
- Responsibility
- Accountability
- Transparency
- Humility
- Innovative thinking
- Faith
- Care
- Modesty

- Compassion/Empathy
- Prudence
- Generosity
- Foresight etc.
- Responsible Leadership
- NB: These are key “vitamins” for a real paradigm shift and transformation of the extractive industry towards “Sustainability” and “blessing” levels.

## Concluding Remarks

The quest for a radically new and best paradigm for sustainable mining (gold) industry in Tanzania and around the Lake Zone in particular cannot be exaggerated. It calls for new model which is *by ipso facto* ethical and value-based. Among others, the following key re-affirmations need to be reemphasized in particular.

First, from ethical and sustainability viewpoints, “GOLD” and “GEITA” should from today onwards mean the following as developed by Aidan G. Msafiri 2014

(1) GOLD {  
G = Guiding  
O = Opportunities for  
L = Leadership and  
D = Discipline

(2) “GEITA” {  
G = Gold  
E = Extractive  
I = Industry  
T = Transparency and  
A = Accountability

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Second, as key stakeholders, actors and “well wishers,” academic institutions, scholars, “Think Tanks” civil societies, NGO’s, etc we need to initiate or innovate “smart” sustainable solutions as far as Tanzania’s extractive industry. Hence, shifting from being a “curse” to a “blessing”, from being “unsustainable” to “sustainable” from being paralyzed by the “corruption syndrome” to being fair and just, from being a political organ to be truly professional oriented, from being swayed by “Usanii” culture to being transparent and diligent. Indeed, such a move and initiative would bring sustainable tax revenues, sustainable livelihoods, sustainable environments and communities, sustainable profits, sustainable royalties, sustainable foods, fish, sustainable schools, hospitals, universities etc.

Third, we need to accept that all these tragic scenarios are largely due to continuous systemic and systematic moral /ethical decadence and lack of leadership authority. This is strongly and aptly encapsulated in **Mahatma Gandhi’s “Seven Blunders Theory”** That is, “wealth without work, pleasures without conscience, knowledge without character, business without morality, science without service and politics without principles”

Fourth, there is need to change the current exploitative and unsustainable extractive industry model particularly gold around the Lake Zone. Hence, the need for new economic model of a truly “mindful” society.. Human ignorance, arrogance, short-sightedness, lust, misuse of power resources and authority would sooner or later plunge humanity into total disaster and bleak future as the human person is shifting from “*homo futuris*” and “*homo integrelis*” to “*homo idioticus*”!!!

Fifth, we need to truly rediscover the strengths, opportunities and the values of the “Social Market Economy” should now be introduced and implemented not only in the “macro-economic levels in Tanzania but also in the sectoral and policy levels and particularly in the extractive (gold) mining industry as a whole. Last, but not the least, our quest for a “sustainable and best practice model” in the extractive industry (gold) in Tanzania in general and along the Lake Zone in particular needs a synergy of good approaches, smart policies, ethical values which are intrinsically sustainable. It is however a personal, communal, zonal and national process and project for true change and transformation of the poorest of the poor. Let us start now.

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