

The Golden Rule of Gold Trade. The Ubiquity of Credit and Debt in Eastern Congo's Gold Sector

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This paper gives a micro-level account, analyzing the distribution of benefits and burdens of gold mining among artisanal miners and small traders in Kamituga, South-Kivu, Democratic Republic of Congo. The institutional context of the gold sector in Eastern Congo is characterized by inefficient state institutions, fierce power struggles and a high degree of ‘informal’ organization and ‘illegal’ transactions. In this context, exchange is based on personal relationships and trust, rather than on purely utilitarian economic factors. On the basis of fieldwork and in-depth interviews with traders and diggers, we first describe the actors involved in the gold sector. Next, we study their relationships, patterned by familiarity, friendship and kinship and characterized by varying degrees of trust. After that we focus on credit and debt relations. These ‘chains’ of credit and debt are central to the whole ‘informal’ system, and they are governed by a range of practical norms, related to enforceability, dependency, sanctions and categorization of credit. These practical norms also disclose the negotiated power relations between different actors. We conclude that a qualitative analysis of credit and debt relations in Congo’s gold sector may provide us with some crucial elements that help us understand why recent external and internal efforts to reorganize and ‘formalize’ the country’s mining sector have proved to be – and will continue to be – so arduous.