

Illegal remaining for living in the Developing World

The hindering reasons of the slowdown of artisanal and small-scale mining formalization in the developing countries: A case of Mongolia

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1. Aim

The aim of the research is to explore the main factor of the prevalent existence of informal artisanal and small-scale mining (ASM) community in the developing countries. Since late 1990, the global policy has been promoting an integration into the formal economy and legalization (Hentschel et al., 2002). However, artisanal mining formalization process is getting slowdown and every country's practice is different. Therefore, this research tries to understand why people avoid the formal structure and what is reason behind, and practically exploring the solution to improve the formalization prescription. In this research, I focused in Mongolia's artisanal mining community and its formalization process.

2. Data & Methods

To fulfill the aim, I tried to answer the following key question: What factors promote the prevalent existence of informal artisanal mining in Mongolia? To answer the questions, I employed two kinds of methods and data:

- First, I reviewed the recent academic literatures on the artisanal mining formalization in the developing countries and how these literatures find the key factors of failure of ASM formalization;
- Second, using the series researches' reports which is carried out in the field work in Mongolia, I diagnosed the Mongolia's artisanal mining formalization and its converging and diverging forces.

3. Results

In Mongolia, the ASM sector has been trying to transfer to the formalization under international donors' support since 2010. Even tough artisanal miners received formalization process positively, in the reality, the bureaucracy of the implementation acted as barriers to the miners. Especially taxation policy and unrealistic administrative requirements have been made hesitations. On the other hand, more interestingly, the cultural and anthropological perspective is urged to explain unsuccessful formalization of artisanal mining in Mongolia. It means owning land and using its resources are regulated by traditional customs and norms instead of legislation by the recent history.

4. Conclusion

Overall, the new social group artisanal miners have been critical role in combatting the poverty in developing world. However, its informality creates various socio-economic and environmental problems. To build sustainable working way, the formalization is necessary. However, formalization the process is very different in the world countries depends on social, legal and cultural heritages.

References

Hentschel, T., Hruschka, F., & Priester, M. (2002). Global report on artisanal and small-scale mining.