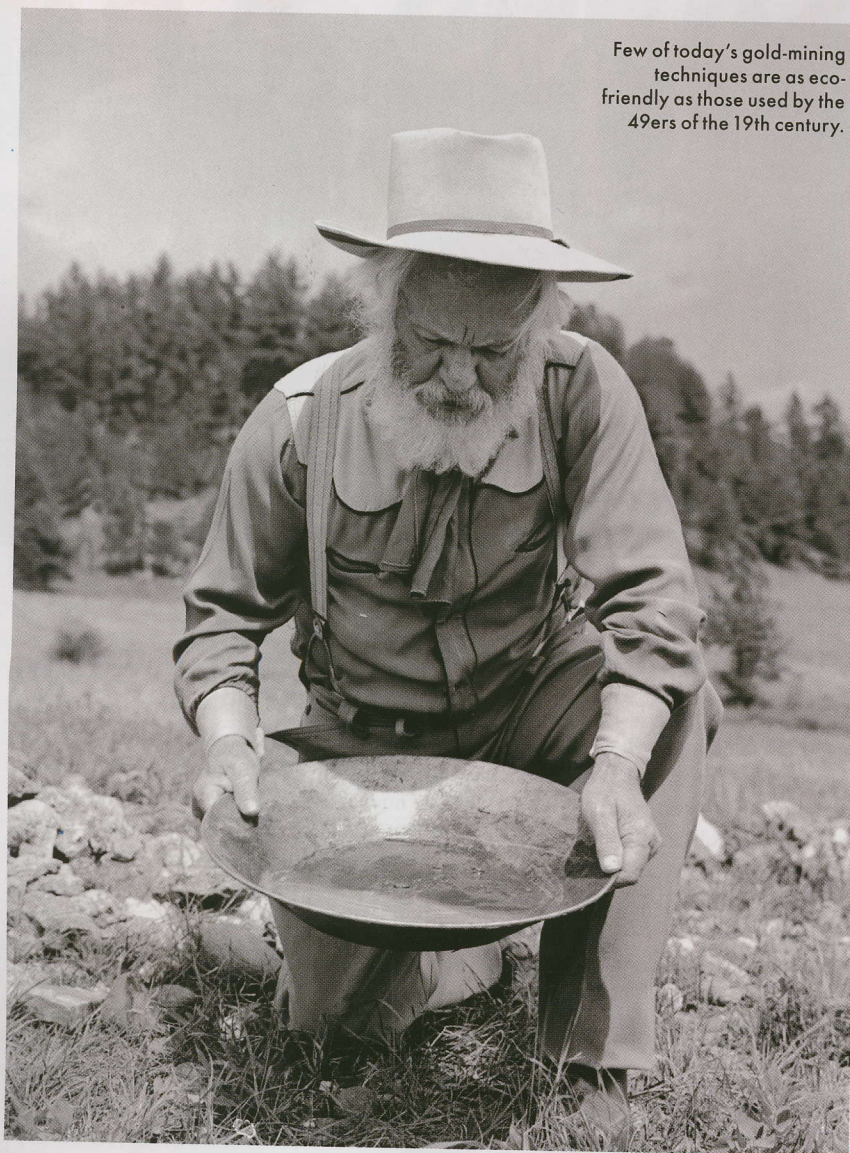


Few of today's gold-mining techniques are as eco-friendly as those used by the 49ers of the 19th century.



GREEN IS THE NEW GOLD

By STEVE KING

It was the morning of January 24, 1848, and there was trouble at Sutter's mill. A blocked drainage ditch. The mill's superintendent, James Marshall, moseyed over to take a look. Squinting into the ditch, the hoary frontiersman spied what looked remarkably like nuggets of gold glinting among the rubble. He scooped up the shiny rocks, scratched at them with a grubby fingernail, plonked them into his hat and returned to the ranch. "Boys," he said, "I believe I have found a gold mine."

He had. And so began the great California gold rush, which over the next six years would yield some 28 million troy ounces of gold, worth

about \$10 billion in today's money.

Few gold miners ever had it as easy as Marshall on that lucky January morning. But fortune seekers have seldom been deterred by the scarcity of the stuff or the hardships associated with finding it. Today the UN reckons that between 10 million and 15 million people in poor countries in Africa, Asia and South America eke out a living prospecting for gold, often in the most insalubrious and dangerous circumstances, using tools and techniques that would have been familiar to the Californian 49ers.

Meanwhile, at the other end of the spectrum, three-quarters of the world's gold is extracted from open-pit mines operated by multinational companies.

These are hi-tech, grand-scale operations. Open-pit mines can consume more water and electricity than entire cities. Some are so big that they are visible from outer space. Yet until recently the social and environmental impact of gold mining was largely invisible to ordinary consumers. Who knew, for example, that a typical gold wedding ring leaves behind 20 tons of mine waste? Not just piles of dirt and gravel, either, but highly toxic chemicals, such as cyanide and mercury, which are used to separate gold from rock.

Public awareness of these issues has been given a healthy nudge by NGOs such as Earthworks and Oxfam America, which together launched the No Dirty Gold campaign in 2004, and by trade bodies such as the Responsible Jewellery Council and the Initiative for Responsible Mining Assurance.

Jewellery makers are doing their bit too. In the mid-1990s Tiffany was among the first of the luxury brands to think seriously about supply-chain issues and to buy its materials—diamonds, rubies and, more recently, gold—from companies that act responsibly rather than from ones that don't.

Some commodities are easier to keep track of than others. Gold can be tricky. It is mined in more than 70 countries. Refineries will often buy it from different mines and melt it together before shipping it on to retailers, making it impossible to say which mine, or even which country, the gold came from.

One way to be fairly sure that you're getting "green" gold is to source it directly from a reliably "green" mine. Cartier is the latest top-end jeweller to do so. The French firm has signed an agreement to buy a proportion of its gold from a mine in Honduras that is managed by an Italian company. (Cosmopolitan or what?) Local miners pan alluvial deposits that require no blasting; no cyanide or mercury is used in the extraction process; water is recycled in a closed circuit. Mine workers and others in the community will benefit from free health services, educational programmes and improved roads.

Such measures will not transform the way the mining and jewellery industries work overnight. But by helping to establish an example of good practice that others are likely to follow, they are a commendable step in the right direction. □

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