

Booming sale of diamonds hard hit by falling economy

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From sales that topped \$3-billion a year, diamond trading that fueled astounding rates of growth has taken a turn downward in the southern African country of Botswana. Wracked by the contraction in the global economy, diamond mines were shuttered in February for the first time in the country's 40-year history of gemstone mining.

Operations in Namibia and Canada were also suspended by the DeBeers Group, the world's largest supplier based in Johannesburg. Ironically, these once-profitable mines were built over traditional lands of the Bushman, the San, or the Basarwa people – most of whom were evicted through forced removals.

In contrast to other resource-rich countries, Botswana spent generously from its diamond profits on education, health care and housing for its 1.8 million population.

But with revenues sharply down, the government will be forced to cut social programs and change and economic diversification may not come easily to a country used to easy wealth, and run by the same political party for the last 43 years.

Meanwhile, at a rally on Sunday, Botswana President Ian Khama promised to tackle high housing prices set by the government, which are beyond the reach of most people, in anticipation of elections on October 16.