Chinese investments, Marange diamonds and ‘militarised capitalism’ in Zimbabwe

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For the past two decades, China has undergone a massive global economic expansion and a continued search for resources to keep up its high growth targets. This converged with Zimbabwe’s adoption of a look East economic policy in 2003, following a fall out with the West. As a result there have been massive Chinese investments in various Zimbabwean sectors including mining, telecommunications, infrastructure development, agriculture and retail. This paper examines the experience of workers in Chinese investments, drawing from Marange diamond fields in Zimbabwe.

The mining potential of the Marange fields was discovered in 2006 following the unorthodox withdrawal of mining rights from the British-owned African Consolidated Resources (ACR) due to a strained relationship between Zimbabwe and the United Kingdom (Sokwanele, 2011).

‘Militarised’ capitalism

Zimbabwe discovered its biggest diamond deposit when it was under sanctions from the European Union and the United States. Underlying politics and the mineral rights legal wrangle presented an impediment for the attraction of investors. The regime was thus forced to adopt a militarised model of capitalism, a mining exploitation regime controlled by the military and its associates. Its industrial relations model is not receptive to independent trade unions. To start up the diamond mining operations at Marange, the government established a subsidiary closely linked to the Zimbabwe Defence Forces (ZDF) through a parastatal, the Mineral Marketing Corporation of Zimbabwe (MMCZ) (ibid). This was the onset of the militarisation of the Marange diamond mining operations and has a bearing on the labour relations that evolved.

Our field research showed that Chinese investor’s labour process, unlike other mining investors, is based on direct control and Taylorist techniques designed to limit the scope of supervision and minimisation of worker responsibility1. All the seven diamond mining companies currently on site are joint ventures or aligned to the ZDF, including two Chinese investments: Anjin a joint venture between Matt Bronze Limited and Jinan which are also linked to the Chinese military (Gagare, 2015). The key management of these companies is drawn primarily from serving or retired senior Chinese and Zimbabwean military personnel. We focused our interviews on two Chinese investments. Anjin is the biggest mining company in Zimbabwe in terms of output. It has also adopted the militarised form of capitalism and industrial relations. At least 10 per cent of its workforce, including the low skilled security guards and diamond sorters, are Chinese. China is the only foreign investor exempted, tacitly, from the immigration laws restricting the importing of low level skilled workers.

Local labour is recruited through provincial and district ZANU-PF (Zimbabwean African National Union-Patriotic Front) syndicates. A ruling party politburo decree directed all the diamond companies to recruit through its local structures. Thus, the recruitment disregards any form of meritocracy; opening room for corruption. The workers interviewed revealed that jobs are secured through the ruling party’s corrupt networks that demand bribes of up to 300USD2.

Anjin and Jinan employ approximately five hundred workers each at their peaks, with 80 per cent from the local and the adjoining villages. These were partly proletarianised as they remained connected to a peasant livelihood. Anjin and Jinan pay the lowest wages (300USD compared to 1000USD at Mbada) but have the most coercive labour relations, which at times include corporal punishment. Sick leave is awarded arbitrarily by the supervisor. The work is divided into two 12 hour shifts per day for a minimum of 19 and up to 26 consecutive days. Workers alleged that they are not paid overtime but called without notice to report for duty even on rest days, violating the Labour Act provision requiring a day off for every seven days of continuous work. The labour inspectorate is privy to such violations but not keen to enforce compliance.

An informant states that ‘there are no permanent jobs at Marange fields; everyone is on a fixed contract’. Work is thus precarious and turnover is very high. Workers are victimised and dismissals are arbitrary. There are three-month initial contracts which can be extended up to one year before the cycle begins again, depending on perceived hard work and good behaviour. This is not in line with the Zimbabwean Constitution and the Labour Act to limit casualisation.

Colonial forms of labour control at Marange fields have been reproduced in the workers single sex hostels. This system enhances productivity and surveillance against pilferage. According to our research, employers perceive...
the hostels as a means of control, and way of enforcing pro-

Trade Unions and the strikes

Zimbabwe is a signatory to the ILO Conventions 98 and 87 which protect the right to organise and collective bargain-
ing. However; this is not always the practice. Chinese com-
panies are used to a context not receptive to independent
trade unions and thus strive to reproduce this, even abroad.
However, this has not deterred shop floor organising.

In 2009 and 2010, the two Chinese companies faced strikes
over wages and poor working conditions. All workers sus-
ppected or linked to the unions were dismissed and the un-
ions (National Mine Workers Union of Zimbabwe and Asso-
ciated Mine Workers Union of Zimbabwe) subsequently coll-
apsed. According to the workers interviewed, violent inci-
dences between local and Chinese workers at the two mines
are common and often not reported.

What other reasons explain the union failure? First, the dia-
mond field is a protected zone in terms of the Protected Ar-
eas Act therefore under 24 hour surveillance by the ZDF and
police. The trade unions have no access to the work sites.
However, the rogue Zimbabwe Diamond and Allied Workers
Union (ZDAWU) is the only union that indirectly has foot-
prints there. Other unions perceived to be affiliated to opposi-
tion political party have been pushed out. ZDAWU oper-
ates outside the diamond field at the nearest business cen-
tre (hot springs resort). Workers interviewed highlighted that,
although the new union has opened an office near
their work place and homes, they were nevertheless not free

our surprise management one day provided us with
the proper PPE. We only later realised this was because
KP inspectors were coming the following day.

Another worker collapsed because they did not have proper
PPE. Management instructed that he be dressed in proper
PPE before the arrival of an ambulance to disguise the cause
of the accident.

Conclusion

The diamond companies’ at Marange fields benefit from a
militarised capitalism characterised by a coercive labour re-
gime and violation of workers’ rights (in particular the free-
dom of association and collective bargaining). These com-
panies pay lip service or subvert the labour laws and the ILO
conventions almost with impunity. The acceptance of Zim-
babwe, into the KP implies that international capital is also
complicit. We have illustrated how both the Chinese compa-

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