Bindura University of Science Education

THE IMPACTS OF CHINESE INVESTMENTS ON ZIMBABWE'S ECONOMY. A CASE STUDY OF BINDURA.

By

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RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF PEACE AND GOVERNANCE, FACULTY OF SOCIAL SCIENCES AND HUMANITIES IN PARTIAL FULFILLMENT OF REQUIREMENTS FOR THE BACHELOR OF SCIENCE HONORS DEGREE IN PEACE AND GOVERNANCE.

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Abstract

This research seeks to find out the impacts of Chinese investments on Zimbabwe's economy focusing on the case study of Bindura. The main objectives are to identity how mining by Chinese investors contribute to the local economic development, to assess the role of government policies in facilitating or hindering Chinese investment in Bindura and to identify the challenges faced by locals due to Chinese investment. The qualitative and quantitative data approach were used in an attempt to gather information on the research questions. While Chinese investment has brought about economic benefits, significant challenges remain regarding labor rights, environmental sustainability and community relations. The findings highlight the need for a balanced approach to Foreign Direct Investment one that promotes economic growth while safeguarding the rights and wellbeing of local communities. Future research should explore longitudinal impacts and comparative case studies across different regions in Zimbabwe to provide further insights into the dynamics of foreign investment in the mining sector.

Declaration form

I Bonafide Munanga (B210843B) studying Bachelor of Peace and Governance Honors Degree, is conscious of the fact that plagiarism is a serious academic offense and also that fabrication of information is a breach of ethics and values in Peace and Government research, I declare that the dissertation report entitled is a result of my own work and research and the sources used have been acknowledged.

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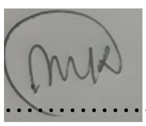
Chairman Signature…  ……………………………

Dedication

I dedicate this dissertation to my late father Robert Munanga and also my mother Mercy Munanga for their love and support they have always given me. I appreciate their belief in me and for also cheering on me. I am grateful for everything you have done for me.

Acknowledgment

Firstly, l want to acknowledge the Almighty God for being with me and guiding me every day. Secondly, l would like to appreciate and acknowledged my sisters who have accorded me the opportunity to further myself in terms of academia. They have been a source of inspiration and a pillar of strength throughout this research. I am also very grateful and appreciative of my supervisor for the guidance and support throughout conducting this research.

LIST OF ABBREVIATIONS AND ACRONYMS

BNC- Bindura Nickel Corporation

BRI- Belt and Road Initiative

CDB- Chinese Development Bank

CIC- China Investment Corporation

FDI- Foreign Direct Investment

SADC- Southern African Development Community

LIST OF TABLES AND FIGURES

TABLE OF CONTENTS

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Over the past decades, the global economic landscape has undergone significant transformation, characterized by the rise of the emerging markets and a shift in investment patterns. Particularly notable is “China's rapid economic growth and its increasing role as a global investor”. It is characterized by “China's Belt and Road Initiative”, which focuses to boost connectivity and cooperation across “Asia, Europe, and Africa through infrastructure development and trade”. Chinese investments, often channeled into infrastructure, mining, and agricultural sectors, have been pivotal in many developing economies, promoting growth but also raising questions on, the long-term impacts on economies, governance, socio-economic dynamics. Broadman (2019), argue that these investments can provide more capital which often come with strings attached including geopolitical influence and potential debt dependency. The influx of Chinese capital indicates a broader strategy of economic dominance that merits in-depth analysis, particularly in regions vulnerable to such foreign investments. “With the Belt and Road Initiative (BRI)”, launched in 2013, China has sought on to expand its influence through infrastructure investments across various regions, particularly in developing countries. Moyo (2018) states that these investments are often framed as part of China's strategy to foster economic growth, create jobs, and enhance trade links. ‘China’s going out policy which encourages Chinese companies to invest’ abroad has led to increase investments in Africa including Zimbabwe. Olufemi (2018) highlights that African nations have become strategic partners. However, this surge of Chinese investment has increased concerns regarding dues viability, governance, and capability for neocolonial practices, leading to a complex debate on the implications for recipient countries and the global economy at large.

Africa faces unique challenges related to foreign direct investment (FDI), particularly concerning the balance between attracting necessary capital and preserving national interests. While Chinese investment has the potential to bridge the significant infrastructure gap in many African nations, concerns regarding debt sustainability, labor practices, and environmental degradation are rampant. Also, African nations grapple with governance issues, corruption which can intensify the foreign outcome. The contrast between immediate economic benefits and long-term developmental impacts creates a complex landscape. African countries must navigate these dynamics carefully to ensure that foreign investments translate into genuine economic empowerment rather than dependency or exploitation. According to Ndulu (2020), the continent’s reliance on FDI has led concerns regarding an undermining of local industries and local markets. The African Union has emphasized the need for policies that ensure that investments contribute positively to sustainable development and not to exacerbate inequalities.

In Southern Africa, the situation mirrors the continental trends, with countries like Zambia, Angola, and Zimbabwe experiencing varying degrees of Chinese investment. While some nations have benefitted from infrastructural development and economic support, the regional landscape is marred by accusations of neocolonialism and unsustainable practices. “The Southern African Development Community (SADC)” faces challenges in harmonizing investment policies toward ensuring the foreign investments that contribute positively to regional integration and development. The balance between attracting investment and protecting local interests remains a contentious issue within the region.

Zimbabwe's economic landscape has been significantly shaped by foreign investment, particularly from China, since the early 2000s. The country's rich mineral resources has attracted Chinese firms eager to exploit these assets, leading to increased economic activity in sectors such as mining and infrastructure development. Zimbabwe's political and economic instability, characterized by hyperinflation and corruption, complicates the relationship with Chinese investors. Chikozho (2022) noted that these investments have been ctitised for lacking transparency and failing to benefit local communities. In Bindura, a town with a strong mining presence, the implications of Chinese investment become particularly apparent, as local communities grapple with issues of environmental degradation, social displacement, and the need for inclusive growth. Chinese companies, such as the Chinese-owned Sino-Zimbabwe Mining Company have invested significantly in nickel mining operations in Bindura. This includes the Bindura Nickel Corporation, which has been undergoing various phases of investment for expansion and modernization. Also, Chinese investments in Bindura such as the Tonghu investment company which deals with chrome smelting represent a significant economic opportunity but also implicate challenges. Many Chinese are investing in mining in Bindura whereby there are increasing their mines such as Timsite mine. Moyo (2019), notes that's the mining sector in particular has attracted Chinese interest due to Zimbabwe's rich mineral resources.

1.2 Purpose of the study

The aim of this study is to evaluate the effects of Chinese investment on Zimbabwe's economy, specifically focusing on the Bindura region.

1.3 Statement of the problem

The surge of Chinese investment in Zimbabwe, especially in the mining industry, has become a crucial element of the country's economic framework. Bindura, known for its abundant mineral resources, has experienced a significant rise in Chinese mining investments over the last ten years. However, the effects of this investment on the local economy are still not well understood. Although Chinese investment is frequently seen as a way to boost economic growth, generate employment, and improve infrastructure, there are increasing worries about the sustainability of these advantages, the environmental consequences of mining, and the social and economic factors involved. The core issue lies in the necessity to thoroughly evaluate the impact of Chinese investments in the mining sector on the economic progress in Bindura. The results of this investigation will lead to a deeper understanding of FDI in Zimbabwe and offer valuable perspectives for policymakers, local communities, and potential investors on effectively leveraging such investments for enduring economic growth. Consequences of this issue include environmental harm and a growing disparity between the rich and the poor, which ultimately poses risks to the long-term economic stability and social unity.

1.4 Objectives of the study

1. To identity how mining by Chinese investors contribute to the local economic development.

2. To asses the role of government policies in facilitating or hindering Chinese investment in Bindura.

3. To identify the challenges faced by locals due to Chinese investment.

1.5 Research questions

1. Identify the impact of Chinese investment in Bindura?
2. Identify the policies that govern investments in mining by externals particularly by Chinese?
3. What challenges are being faced by locals which are imposed by Chinese mining companies?
4. What are the environmental consequences associated with Chinese investment activities in Bindura, and how do they affect local ecosystems?
5. What efforts are being made by the government to address these challenges?

1.6 Assumptions of the study

The research assume that Chinese investment in Bindura has a significant impact on the economy.

The study may assume that that Chinese investments in Bindura may have environmental implications.

The study assumes that the Zimbabwean government acts a crucial part on shaping the policies that guide the Chinese investments.

1.7 Significance of the study

This research offers valuable insights into the impact of FDI, especially from China, on local economies like Bindura. By exploring the benefits and challenges of Chinese investments, the study provides policymakers with essential information to craft informed economic strategies. Its findings can help shape balanced policies that optimize advantages while mitigating drawbacks. Ultimately, this study enriches the existing body of research in international investment including the Sino-African relations, offering a localized perspective that may be applicable to other regions. Policymakers will gain insights into the effectiveness of current investment policies and develop strategies to enhance positive outcomes from Chinese investments while mitigating negative impacts. Also, local government benefit in understanding local economic dynamics and improve planning and resource allocation to ensure community needs are met alongside foreign investment. The study can serve as a reference for further research, providing data and analysis that can stimulate discussions on international investment and economic development. Residents can gain awareness of the implications of Chinese investments on their livelihoods, potentially advocating for more equitable and sustainable investment practices.

1.8 Delimitations of the study

This research was carried out in Bindura. The research dwelt into the effects of Chinese investment in Bindura's economy. This study reviewed whether the Chinese investment is boasting the economy or destroying the economy. The study relied on the availability of accurate and reliable data which helped to provide transparency of the data.

1.9 Limitations of the study

This research faced problems such as gaining access to key stakeholders, such as government officials or executives of Chinese companies, may be challenging. Their willingness to participate and share information limited the depth of qualitative insights. The researcher guaranteed that confidentiality and anonymity of participants stood uphold in order to obtain the depth of information because if respondents fear repercussions for expressing negative views about Chinese investments it would have avoided getting information.

1.10 Definition of key terms

Economic development is the process "through which a community improves the economic, political, and social well-being of its people" (Todaro & Smith, 2011)

Chinese investment refers to the capital invested by Chinese firms or the Chinese government in foreign markets, often aimed at acquiring assets, establishing operations, or enhancing trade relations (Brautigam, 2009, p. 42).

Mining is "the process of extracting minerals or other geological materials from the earth" (GSA, 2019).

1.11 Dissertation overview

Chapter 1

This chapter introduces the research, outlining the study's background, objectives, problem statement, research questions, assumptions, and significance. It also discusses the study's boundaries and limitations, along with defining key terms and providing a reference list.

Chapter 2

This chapter focuses on the literature review, the theoretical framework, and identifies gaps in existing research. It includes a review of literature that substantiates the stud

Chapter 3

The research plan is outlined here and is shaped by the theoretical framework and research design. It includes an introduction, research philosophy, methodology, design, as well as details about the population, sample, sampling methods, and data collection techniques**.**

Chapter 4

This chapter focuses on presenting the data, analyzing it, and discussing the findings.

Chapter 5

In this section, a summary, conclusions, recommendations, and suggestions for future research are provided.

CHAPTER TWO

LITERATURE REVIEW AND THEORATICAL FRAMEWORK

2.1 Introduction

Chinese investment on Zimbabwe's mining sector has grown substantially over the past two decades. Scholars such as Zhan (2020) highlight that Chinese firms have become key players in the mining landscape, focusing on minerals such as gold, platinum, and coal. The Zimbabwean government has welcomed these investments as a means to revive the economy and enhance infrastructure development (Mugabe, 2019). The implications of such investments have been mixed, with concerns regarding labor practices, environmental degradation, and local community displacement (Chirisa & Nyoni, 2021).

2.2 Dependency theory

Economic development theories provide a foundation for understanding how investment influences growth and development in a specific context. Dependency theory posits that investments from foreign entities can perpetuate economic dependency rather than fostering genuine development. Akinyoade (2019) argue that Chinese investment reinforces a neo-colonialist framework in Zimbabwe, where the dependency on foreign capital leads to the perpetuation of unequal power dynamics. Akinyoade suggests that although Chinese investment brings much-needed infrastructure and financial inflows, it often comes with conditions that favor Chinese interests, leading to a form of dependency that hinders Zimbabwe's economic autonomy (Akinyoade, 2019). In the case of Bindura, the influx of Chinese capital may create a dependency on Chinese companies for infrastructure and job creation, potentially limiting local entrepreneurial growth. Chinese investments in Bindura exemplify the dependency relationship, where Zimbabwe relies on foreign capital for the development of its mining sector. Chirisa (2019) contend that while Chinese investments provide short-term economic benefits, they create dependency on external capital. This perspective suggests that the Zimbabwean economy, particularly in regions like Bindura, risks becoming too reliant on Chinese investments, which may not be sustainable on term.

This influx of Chinese investment has created jobs and stimulated local economies. Chitonge (2021) contends that while dependency is a valid concern, the presence of Chinese investment can stimulate local economies and create opportunities for technological transfer and skills development, thus potentially reducing long-term dependency if managed correctly. However it often leads to a scenario where the local economy becomes dependent on Chinese companies for employment, technology, and infrastructure. This results in profits and resources which tend to flow out of Zimbabwe to China, reinforcing economic dependency. Amin (2000) asserts that the nature of Chinese investment is often characterized by resource extractivism, where Chinese firms focus on extracting minerals with little attention to local development (Amin, 2000). This aligns with the dependency theory notion that peripheral countries primarily serve as sources of raw materials for core countries (Kaplinsky 2005). In Bindura, the focus on mineral extraction can hinder broader economic development, leading to shortage of diversification in the local economy.

The dependency on Chinese investment in mining "has led to environmental degradation and social issues in Bindura". This focus on rapid extraction to meet Chinese demands had resulted in the neglect of environmental regulations and local community impacts (Moyo 2018). This can further entrench dependency, as local communities may face health and livelihood challenges while the economic benefits largely favor foreign investors. Moyo and Yeros (2020) assert that the investment agreements often prioritize raw material extraction without adequate reinvestment into local capacities or the promotion of sustainable development. They note that this focus of "wealth and power remains in the hands of a few, particularly those connected to the Zimbabwean elite and the Chinese government"(Moyo & Yeros, 2020).

China's involvement in Zimbabwe can also have political ramifications. The Chinese government often provides support to the Zimbabwean regime, which can result in a lack of accountability and governance issues (Ndlovu 2020). Mawere (2022), argues that the relationship between the Chinese and Zimbabwean government can perpetuate a cycle of dependency, where Zimbabwean leaders prioritize Chinese interests over their citizens' needs. Such dynamics can stifle democratic processes and limit the country's ability to negotiate fair terms for investment. Technology and expertise, which can limit the "transfer of skills and knowledge to local workers". This technological dependence can create a workforce that lacks the capacity to engage in more advanced mining practices or to innovate within the sector (Ndlovu, 2022). Consequently, Zimbabwe may find itself perpetually reliant on foreign expertise, hindering its long-term development.

The Chinese investments in mining in bindura can enhance economic growth. This can be through a perspective suggestion that foreign investment can lead to economic growth by transferring technology and skills. Chinese investments in Bindura could stimulate local industries, improve infrastructure, and create job opportunities, thus contributing to the region's modernization. Foreign Direct Investment (FDI) theories help explain the motivations behind foreign investments and their economic consequences as argued by Chirisa, (2019). This literature review provides three factors which are ownership, location, and Internalization that influence FDI. Chirisa (2019) futher argues that Chinese firms may possess unique advantages ownership and find Zimbabwe appealing due to its natural resources and labor market. Chinese investments in Zimbabwe can be categorized as market-seeking or resource-seeking to exploit natural resource. This distinction is important for analyzing the specific sectors that are impacted in Bindura, such as mining and agriculture. Moyo (2020) argues that the heavy reliance on Chinese investment may create vulnerabilities in Bindura’s economy, as profits can be repatriated to China rather than reinvested locally. If Chinese companies primarily focus on resource extraction like mining they may not contribute significantly to local economic diversification, (Mlamblo, 2020). The workforce may lack the necessary skills to participate fully in high-level operations, perpetuating a cycle of less sustainable development. Global Value Chains concept emphasizes the interconnectedness of global production processes. Chinese investments may integrate Bindura into global supply chains, potentially enhancing local production capabilities while also exposing the region to global market fluctuations. Transnationalism this perspective focuses on the socio-economic ties that transcend national borders.

The presence of Chinese companies in Bindura may foster transnational relationships that influence local culture, labor practices, and community development. Chinese companies’ operations may bring new cultural practices and management styles, influencing local business. However, the environmental implications cannot be overlooked. The mining practices employed by Chinese companies have been criticized for their lack of adherence to environmental regulations. According to Gondo (2021), "the pollution of water sources and deforestation due to mining activities have posed significant risks to local ecosystems and communities". Mashiri (2021) have pointed out that mining activities frequently result in land conflicts, "displacement of local populations, and environmental degradation". This results in lack of transparency and accountability mechanisms in these investments which raises ethical considerations (Tamuka, 2023) Chibwana (2019) argue that the Zimbabwean government has strategically aligned itself with Chinese investors to counter Western sanctions, thereby creating a dependency on Chinese capital. This relationship has raised concerns about governance and transparency, as the influx of Chinese money is often accompanied by a lack of accountability (Mawere, 2022).

2.2.2 Initiatives done by the government

Zimbabwe's political and economic landscapes are significantly shaped by institutional factors. Mlamblo (2018), argues that one of the most important is the country's historical context, particularly the land reforms of the early 2000s that led to the decline of traditional agricultural sectors and spurred a need for new investment (Mlambo, 2018). Mlambo (2018), further argues that the Government of Zimbabwe, seeking to modernise its economy and attract foreign investment, has been actively courting Chinese firms. The Chinese have made considerable investments in mining ventures throughout Zimbabwe, including Bindura's nickel mining sector. Makoni and Mutizwa (2020) notes that such investments are often accompanied by promises of economic growth, job creation, and infrastructure development. For instance, the Sino-Zimbabwe Mining Company has been pivotal in revamping Bindura Nickel Corporation (BNC), contributing significantly to local and national economies through increased production levels aimed at enhancing economic cooperation. "The Framework Agreement on Economic and Technical Cooperation", signed in 2006, exemplifies this. It provides a foundation for Chinese investments in Zimbabwe, promoting mining and infrastructure development (Government of Zimbabwe, 2006). According to the Zimbabwe National Statistics Agency (ZNBS, 2020), the mining sector contributed about 12% to Zimbabwe's GDP in the fiscal year preceding the

COVID-19 pandemic. These statistics highlight the sector's vital role in economic recovery and rejuvenation, with Chinese investment seen as a catalyst in this regard.

Zimbabwe's government has established regulatory frameworks that aim to attract foreign investment while also enhancing protection of local resources. The government has adopted several policies to attract foreign investment, including the Mines and Minerals Act (Chapter 21:05) and the Zimbabwe Investment Authority Act (Chapter 14:30). These policies establish a legal framework that governs mining operations, licensing procedures, and investment incentives for foreign investors, including Chinese firms (Moyo, 2018). However, the actual enforcement of these regulations has been inconsistent, creating an environment where Chinese firms may sometimes bypass regulations. Scholars such as Moyo (2018) argue that the regulatory framework in Zimbabwe is characterized by weak governance and corruption, which can lead to exploitative practices by foreign companies. The success or failure of Chinese investments in Zimbabwean mining is influenced by the institutional context in which these investments take place. Kadende (2021) emphasize that weak institutional frameworks in Zimbabwe can lead to corruption and mismanagement in mining operations. They argue that Chinese investments may exacerbate these issues by turning a blind eye to governance failures, ultimately harming local communities and the environment.

2.2.3 The Chinese model of investment

A lot has been written on Chinese investment in the world in general, Africa and in Zimbabwe. A number of scholars directly and indirectly examined different aspects of Chinese model of investment, with some scholars being sceptical of the Chinese model of investment in developing countries while others are quite positive of the future of the promised under the

Chinese economic growth model.There seems to be varying opinions on whether Chinese investments impact positively or negatively on the economy of a receiving country amongst scholars who studies "the effects of or impact of Chinese investment", (Adisu, Sharkey and Okoroafo, 2010; Gu, 2015; Mlambo, 2019). Adisu, Sharkey and Okoroafo (2010), shows that Chinese investment impacts negatively on local trade and commerce, Chinese approach to investment downplays political issues including human rights and, in some instances, there is no benefit to local labour. Mlambo (2019), wrote a paper titled “Exploitation dressed in a suit, shining shoes and carrying a suitcase full of dollars: What does China want in Africa?” In this paper the author questioned China’s interests in Africa and boldly claimed that China is indeed exploiting Africa. Correspondingly, Hogwe and Banda (2017) are of the opinion that the engagement between China and Africa is unbalanced with China having the upper hand because they are the ones who have the capital. On the other hand, other scholars feel that the relationship between China and Africa is reciprocal in that China needs raw materials and Africa needs infrastructure and technological transfer (Schiere, Ndikumana and Walkenhorst, 2011).

Other scholars are also of the view that Chinese investment positively impacts the economy or economic growth of the receiving countries. Authors such as Dadvar (2016), highlight that, the ideas which are proposed by other scholars which support the notion that, China is exploiting Africa are to a large extent a myth not backed by valid data. African countries are directly benefiting from the infrastructural development as well as direct foreign investment which is creating employment for Africans (Dadvar, 2016; Zhang and Kangombe, 2016; Brautigam, Xiaoyang and Xia, 2018).

It is apparent that there is no agreement among authors as to whether Chinese model of investment positively or negatively impacts economies of receiving countries. The present paper will therefore review the ideal Chinese model of investment and goes on to explore specific case studies in order to bring out the realities on the ground. Ramo (2015) is one of the scholars who discussed in detail the Chinese model of investment which the author termed 'the Beijing consensus". This model of investment aims to promote economic development which is an alternative for developing nations. As Ramo (2015) puts it, the Beijing consensus is based on principles of non-interference in political issues of a country and there are a "no strings attached" in the way business is conducted Chinese believe in promotion of mutual growth (Ramo, 2015; Koumou and Manyi, 2016; Breuer, 2017). This model of investment is attractive to African states since there are no strings attached unlike Western investment where there are issues of political interference, human rights issues in which loans or investments can be challenging to obtain. China's aid and investment considering the 'no strings attached' principle is an attractive alternative for a country like Zimbabwe (Mguni, 2016; Weng et al., 2018). The Chinese government through its economic policies encourages Chinese people to invest in other countries. These investors in turn obtain loans from the institutions mentioned above.

China as a growing economic power has raised eyebrows in the academic world since its decision to open up its market for trade with other countries. Sachs (2014), acknowledges that, China's decision to open up for trade is a game changer in terms of its rise to being a super power in the twenty first century. Sachs (2014, p. 24) goes on to predict that, "China 's leap will Some authors such as Adisu, Sharkey and Okoroafo (2010); Breuer (2017) and Sidahmed (2017) see "the Chinese model of investment in Africa as a combination of economic growth objectives and foreign policy" with no emphasis on meddling in a receiving country's political affairs. The model of Chinese investment building on from the Beijing Consensus of (Ramo, 2004) is also discussed by (Koumou and Manyi, 2016). These scholars go on to show that, financing of

Chinese investment is done through state agencies like China Export-Import Bank (China Exim Bank), Chinese Development Bank (CDB), Chinese Credit insurance corporation (SINOSURE) and China Investment Corporation (CIC) according to asia society.org. Privately owned companies, multinational companies, small and medium companies and local governments can raise their own money and invest in countries of their choice.

In light of the above authors' understanding of Chinese Investment model, the researcher takes into consideration the fact that the Chinese economic model consists of the principles which differentiate Chinese from Western policies in engaging other countries upholds these most populous country on earth into the heart of politics and economics in the coming century, ….". Evidence from the GDP rankings of the World's Largest Economies shows that, in 2018 China ranks number two, therefore being the second largest economy with "United States of America (USA) on number one".

In Europe, Chinese investment is eminent and also popular as it is in Africa. According to (Seaman, Huotari and Otero-Iglesias, 2017) Chinese investors are seeking technology, access to European markets, entry to brand names, portable and lawful environment, political or diplomatic influence, access to third markets like Latin America and Africa through European corporate networks and an integrated global value chain in production, transport and knowledge. The report goes on to highlight the five major sectors in which Chinese investors mainly invest in. These sectors include; transport, energy, telecommunications, real estate and tourism. There are few instances where Chinese companies invest in raw material extraction like the extraction of uranium in Greenland but, there are major issues on the impact to the environment that arose. According to Girault (2019), Chinese investment is present in countries like France, Greece, Hungary, Poland, Portugal and Germany. Girault (2019), goes on to show that, Chinese investors are mainly into acquisition of European companies with examples of Volvo Cars in Sweden, Pirelli tyre making company in Italy, Club Med holiday group of France and Kuka which is a German based robots manufacturing company. Thus the Chinese investment model that is eminent in Europe is that of acquisition of company shares. This massive acquisition led Europe to impose strict measures and control in order to reduce Chinese investment. This has led to a decrease in Chinese investment in recent years in Europe (Hanemann, Huotari and Kratz, 2019).

Looking at the Zimbabwean context there are various authors who studied the phenomenon of Chinese investment. Mvutungayi (2010) investigated the engagement of Chinese and Zimbabwe in the period of 2000-2009. The scholar explores "the political and economic impact of Chinese investment in Zimbabwe". The main arguments that the scholars notes are that China became a source of funding for Zimbabwe when the Western countries had imposed sanctions and was unwilling to engage with Zimbabwe. In this era there was introduction of the Look East Policy, a development path that Zimbabwe chose without the West (Chigora and Chisi, 2009). Looking East for Zimbabwe as Brautigam (2010) reveals meant access to lines of credit from EXIM bank and negotiations with Chinese Development Bank. Mvutungayi (2010) goes on to highlight that China increases it's stakes in major sectors like Agriculture, Mining, Energy, Construction and Infrastructure. The author goes on to argue that although China invigoratively supported Zimbabwe during this period of crisis, it was insufficient to address the problems that the country was facing. Thus the conclusion drawn from his study is that Chinese engagement excluded to make positive changes in the country’s economic crisis. The author further provides evidence from the Agricultural sector that the Chinese investments and support was not enough to boost food production because Chinese investments were channelled towards producing tobacco and cotton.

In Hogwe and Banda's (2017) research titled, “The nature of Chinese role in the development of Africa: A case of Zimbabwe” established whether China‘s interest in Africa is a ‘blessing or curse’ and the nature and implications of SinoAfrican relationships with various countries. The authors examine this through determining the role of Chinese investment in Zimbabwe and the impacts brought by Chinese investment while using a historical structural approach. The conclusions from the research shows that Chinese investment in Zimbabwe is highly concentrated on resource extraction and infrastructural development. The recommendations are that Zimbabwe should move towards value addition on raw materials so that it benefits more (Maparure, 2014; Hogwe and Banda, 2017). Chinese investment has minimal impact on employment and Chinese economic involvement is more of increasing its economic pursuits as it creates jobs for the Chinese populace (Hogwe and Banda, 2017). The scholars also notes that trade is unbalanced between China and Africa since China is a dominant power economically but, the two continents can reach a win-win situation. In light of this view, the case of Zimbabwe they go on to show that Chinese investment is a new source of financing, Chinese products have a negative and positive impacts in that they create competition with local business people but to the consumer, the Chinese products are cheap. The cheap Chinese products affected major companies like in the mining sector. This research, is more inclined to studies of Sino-Zimbabwe relations and issues of Chinese investment in Zimbabwe on the economy are highlighted but the method that was used to gather data does not directly show the impact that Chinese investment has on the Zimbabwean economic variables like tax revenue, trade balance, production and employment.

2.3 The gap that the study is trying to bridge

Much of the existing research (Mlamblo, 2015), focuses on the macroeconomic impacts of Chinese investment, often neglecting the voices and experiences of local communities affected by mining activities. Future studies should prioritize qualitative research that incorporates the perspectives on communities to obtain insight about the challenges faced by the community people and provide solutions. The long-term sustainability of Chinese investments in mining is undermined in many researches (Moyo, 2020). Research should assess how these investments impact local economies and environments over time, particularly in the face of global shifts towards sustainable practices. Mushongahande (2019), notes that the researches should address how the investment affect local ecosystem over time. Few studies have conducted comparative analyses of Chinese investments in different regions of Zimbabwe or in comparison with other foreign investments. Such analyses could provide a more nuanced understanding on Chinese involvement in the mining sector. There should be policy implementation that prohibits the destruction of environment in order to preserve our environment.

2.4 Summary

This literature review highlights research on Chinese investment in the mining sector of Zimbabwe. While existing studies point to potential economic benefits, they often overlook critical aspects such as environmental impacts, social justice issues, and political dynamics. The literature reviewed showed that, there are varying views that emanate from Chinese engagement with Africa. A number of scholars have questioned this engagement thus; there are negative and positive views towards Chinese engagement in Zimbabwe. Many scholars argue that the Chinese are mainly interested in investing in Zimbabwe and Africa's abundant raw materials and others seeing this as a win-win situation for both parties. From the synthesis it was observed that, though a lot has been written about "China’s presence in Africa" also in Zimbabwe, however, there was less literature on the way Chinese people do business in Zimbabwe with particular reference to the Chinese model of investment as well as the possible impact to the economy of Zimbabwe. This research gap justifies the need to carry out the present research. Future research should aim to fill these gaps, employing interdisciplinary approaches that consider the complexities of FDI in Zimbabwe’s mining sector. By doing so, scholars can contribute to a more nuanced understanding of the ramifications of Chinese investments in Zimbabwe, ultimately guiding policies that prioritize sustainable development and social equity.

CHAPTER THREE
RESEARCH METHODOLOGY AND DESIGN

3.0 Introduction

This chapter describes the research methodology used in this dissertation to examine the effects of Chinese investments on Zimbabwe's economy, particularly focusing on the case study of Bindura.

3.1 Research Methodology

This section delves into the research methodology employed in the study. A mixed-method approach was utilized, combining both quantitative and qualitative data to address the research questions. This methodology serves as a framework for how the researcher recruits' participants and gathers information from them, outlining the steps taken to derive conclusions about the problem (Welman, Kruger & Mitchell, 2005). The chosen methodology is crucial for the success of the research, as the quality of the results is significantly influenced by how the data is collected and analyzed. The reliability and validity of the findings depend on the methods used for data collection. Various techniques, approaches, processes, and strategies are available for conducting research, each presenting its own set of advantages and disadvantages. Therefore, it's essential to select an approach and technique that are well-suited for the study.

3.2 Research Philosophy

Research philosophy pertains to a framework of beliefs and assumptions concerning how knowledge is constructed and its nature (Saunders, Lewis, and Thornhill, 2007; Saunders, 2009). The use of a research philosophy is crucial when conducting research.

development of knowledge and the nature of that knowledge (Saunders, Lewis and Thorhill, 2007; Saunders, 2009). It outlines how data for a research study should be gathered and analyzed (Saunders, 2009). Therefore, it serves as a framework for assessing the validity of the different components of the research methodology. The three primary research philosophies are positivism, interpretivism, and realism. As stated by Saunders (2009, p. 135), "Positivism refers to a philosophical perspective based on natural science that seeks to work with observable social realities to generate law-like generalizations." Positivists contend that knowledge is objective and can be quantified (Antwi and Kasim, 2015). This implies that positivism emphasizes scientific methods for data collection, ensuring that the researcher’s biases do not affect the results. Consequently, the researcher remains impartial to avoid influencing the findings (Saunders, 2009). Positivism relates to a philosophical stance on natural science and working with an observable social reality to produce law like generalizations”. Positivist believe that knowledge is objective and quantifiable (Antwi and Kasim, 2015). This means that positivism strictly focuses on scientific methods to obtain data which is not influenced by the researcher’s bias. In this regard, the researcher remained neutral so that the researcher does not influence the findings (Saunders, 2009). The positivism philosophy as highlighted by (Saunders, 2009) allows the researcher to formulate a hypothesis either based on a theory or from existing data which has been collected on the research, the hypothesis can be tested and generalizations can be made. The advantages of using the positivism philosophy in carrying out research is that, data collected is highly reliable and can be validated, the researcher has control over the research and it is easier to carry out. However, the weakness of using this philosophy is that it restricts researcher’s contributions and views on the research that is being done.

3.3 Research Design

This study employed a qualitative and quantitative research design, utilizing a case study approach to provide an in-depth examination of the impacts of Chinese investment. Hepper (1992: 15) defines a research design as “a plan or structure for an investigation or list of specifications and procedures for conducting a research project. The qualitative design was suitable for exploring the interaction between the foreign investors and local communities. This allowed for rich descriptive data that captured the complexities of the challenges and opportunities of the Chinese investment.

3.3.1What is A Case Study?

A case study aims to capture the intricate details of a specific case, and the methodology that facilitates this has evolved within the social sciences (Johansson, 2007). It encompasses a process or record of research examining the development of a particular individual, group, or situation over a specified timeframe. Additionally, a case study refers to an instance analyzed to illustrate a thesis or principle. In this instance, the case study focuses on Bindura in Mashonaland Central Province.

3.4 Target Population

As defined by Fairfax (2018), the target population refers to the entire universe or collection of elements, such as individuals or businesses, that are described or measured by a sample. The study targeted the 5 local government officials who provided insights into the policy framework and regulations surrounding foreign investment and the employees in the mining sector. Also, it targeted the Chinese investors and the local people some who works for the

Chinese mining companies. The aim was to target 40 people but the researcher only managed to obtain relevant responses from 20 people.

3.5 Sampling

Matthews & Ross (2010) described a sample as a subset of the population that accurately reflects the whole population. Sampling ensures that each unit has an equal opportunity of being chosen from the population, thereby forming a sample that represents the entire universe. In this regard, the target sample would be having equal chances of being selected. The selected people in this research will be the local government officials, the Chinese investors and the employees in the mining sector.

3.5.1 Sampling Strategy

This study utilized purposive sampling, a non-probability sampling technique which includes snowballing. Purposive sampling is the deliberate sampling way with some purpose or focus in mind (Punch, 2004). The sampling helped the researcher to get participants who were willing to participate by answering the research questions. The researcher also employed purposive sampling in the selection of key informants of the study. Purposive sampling is useful to this research because it provides a wide range of non-probability sampling techniques for the researcher to draw on.

3.6DataCollection

The methodology that was used for this dissertation to collect data is based on a qualitative procedure which draws from a case study design and interviews were employed. Qualitative research is a situated activity that locates the observer in the world. This method allowed various techniques such as participant observation and face-to-face interviews which were used in this study (Hennink et al., 2020). As opined by Bernard (2017) data collection methods look at how to gather valuable data. Interviews were used to collect data for this study, which are defined as qualitative research methods that relayed on asking questions to collect data. They involved 5 people, one of whom is the interviewer who asks the questions and the other is the interviewee who answers them. Different research methods will always come with different data collection methods. There are various techniques of data collection as stated by Bryman, (2012). These tools are used for collecting information and data needed to generate themes to the problem under investigation. Data collection is the procedures used to collect data. The primary instrument for collecting data is in-depth interviews through the use of an interview guide. The researcher explained the aim of the study to the respondents and also indicated their rights as respondents in the study, particularly their right to withdraw from the study at any point if they felt like doing so before conducting interviews. More-so, hand written notes were taken in order to assist the researcher to reflect on the themes as they emerged during interviews.

3.7 Research Instruments

In terms of instruments, used to collect data, there is need to use tools that will be convenient and affordable. Data collection instruments are tools used in gathering data in a study Neuman, (2006). The researcher used interview guides on conducting in-depth interviews with the key informants and also used questionnaires for participants. The research was limited to open ended interviews which were administered to subjects of the study. Questions did not follow on exactly the way they are outlined on the schedule. The use of open-ended questions gives the participant's flexibility which allowed the researcher to get in-depth information that will be influential in data analysis for the topic under study. Cole, (2000) posits that in-depth interviews are a specialized form of communication between people for a specific reason associated with some agreed subject matter and goes beyond mere conversation. In-depth interviews allow the researcher to probe for more information from the participants by asking for clarifications on certain issues and asking sub questions so that you get a deeper understanding of the sample answers at hand.

3. 8 RESEARCH LIMITATIONS

This research aims to provide valuable insights into the impacts of Chinese investments on Zimbabwe's economy looking at Bindura, certain limitations will be dealt with. The reliance on qualitative data may limit the generalizability of the findings to other regions in Zimbabwe or beyond. The subjective nature of qualitative research may introduce biases based on participant's perspectives.

3.9 Ethical considerations

Ethics encompass the norms, values, and moral standards that must be taken into account during data collection. Sobcan, Bertotti, & Stro-Gottfried (2019) argue that ethical considerations involve protecting individuals' rights and preventing misconduct. Every location has its own practices regarding what is acceptable and unacceptable. This research ensured that the rights and ethical beliefs of participants were respected. Durrheim (2006) outlines a comprehensive approach to maintaining ethical standards in research, emphasizing that individuals should have the ability to make their own choices regarding participation and should be treated with dignity, without any harmful physical, psychological, or other repercussions. Accordingly, each participant was informed about the purpose of the research and what was expected of them. Ethical aspects considered in this study included informed consent, anonymity, confidentiality, and the right to privacy.

3.10 Summary

This chapter covered research approach, research designed and population of the study, sample and sampling procedures data generation methods and instruments, data analysis procedures, ethical considerations, limitations and chapter summary. This chapter is detailed the way the researcher planned and obtained data which will be presented in the next chapter.

CHAPTER FOUR

DATA PRESENTION, ANALYSIS AND DISCUSSION OF FINDINGS

4.0 INTRODUCTION

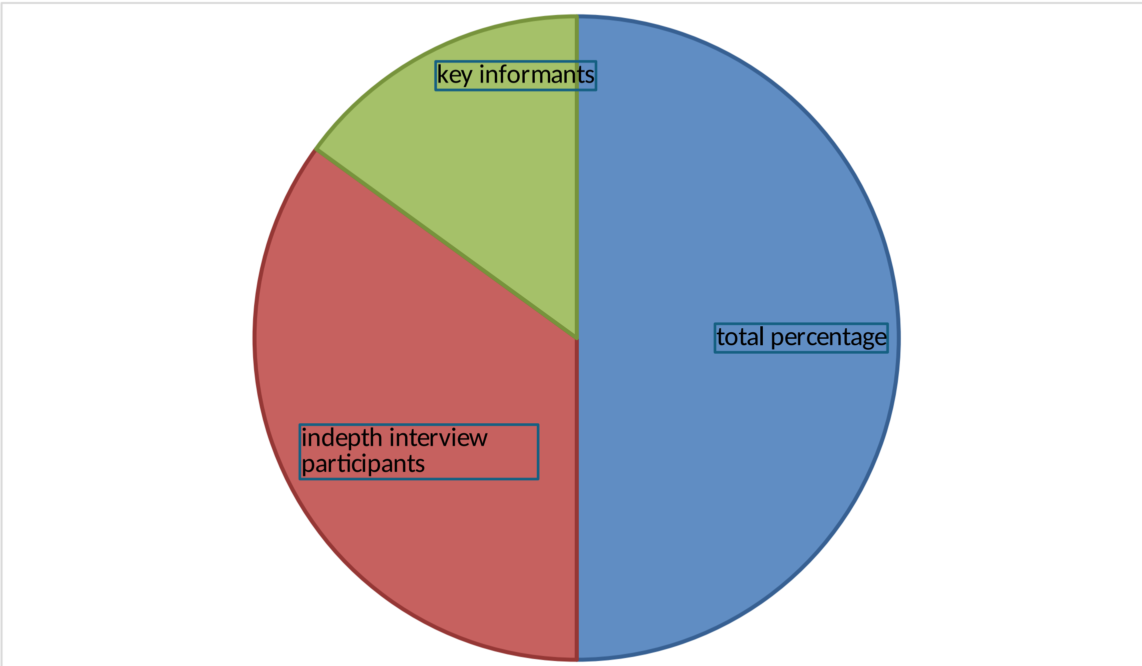
In this chapter the researcher analyzed data and outlined the findings from the data that was gathered through administering questionnaires and conducting interviews. The researcher first analyzed quantitative data and then went on to analyze qualitative data. The chapter begins with a discussion of the response rate and goes on to elaborate more on the findings.

4.1 RESPONSE RATE

The sample size was 25 participants and the researcher managed to distribute 25 questionnaires, and all questionnaires were self- administered. The response rate is tabulated below and indicates the number of participants who responded to the questionnaire.

Questionnaires distributed	Returned questionnaires	Unusable questionnaire	Response rate
25	20	5	80%

The response rate is 80% which is a fair response rate. The reason for such a response rate is that the Chinese people are a closed society thus they are not keen on answering questions or participating in research. From the 25 questionnaires that were distributed there were 5 questionnaires which were unusable as shown on the he table above, this may be because some participants were making multiple entries to one question and some were simply omitting to answer important sections Thereby making the questionnaire unusable.



4.3 Age distribution

Age	Frequency	Percent
20-25	12	60%
26-40	8	40%
Total	20	100%

Table 4.3 shows that most respondents were between the ages of 20-25 and this maybe because most young youths are equitable to handle jobs at the mine because of their strength. Also due to the economy, many youths seek jobs at mines hoping to get income to support their families.

4.4 DATA FRAMING AND ANALYSIS

The interview questions were crafted in order to gain information about the Chinese investment and how they operate. These were formulated in order to establish patterns amongst the interviewees and to understand the general background data of the participants so as to extract reliable data. The second set of questions were questionnaires with specific questions on Chinese investment in the mining sector.

Question 1. What type of investment are Chinese bringing in Zimbabwe?

The human resource officer of the Ministry of mines development stated the views that

> "*Chinese companies have significantly invested in gold, lithium and chrome mining operations in Zimbabwe. They have entered into joint ventures, acquired mining rights, and established processing facilities to enhance gold production and also, with the growing global demand for lithium, particularly for electric vehicles and batteries, Chinese firms are keenly interested in Zimbabwe's lithium resources. "The country is home to some of the largest lithium reserves in the world, attracting Chinese investments in exploration and production". Chinese firms have often engaged in infrastructure projects that support mining activities, such as roads. This infrastructure development facilitates efficient transport and logistics for mining operations. Chinese companies are known for providing mining technology and equipment to Zimbabwe, aiding in modernizing the mining sector and improving operational*".

The respondent also added that in Bindura many Chinese investors are coming to invest in mining and many mines have Chinese partners. The researcher assumed that Chinese investment in Bindura has a significant impact on the economy in which the response was in line with the assumption.

2. What are the policies that govern investments in mining by externals particularly by the Chinese?

The response to this question was that,

> *"The primary legislation governing mining in Zimbabwe is the Mines and Minerals Act. This act outlines the processes for acquiring mining rights, licenses, and permits, and sets guidelines for mineral exploration, extraction and management. The environmental act policy helps to maintain the environment preventing land degradation and preserving the nature., Zimbabwe has a national policy on foreign investment which is designed to attract foreign capital while also ensuring that local interests are considered. The policy encourages joint ventures between local and foreign companies"*.

The policies that govern investments in mining by externals are to a larger extend not being followed by the Chinese investors because the enforcement of these regulations have been inconsistent creating an environment where Chinese investors bypass regulations. Moyo, 2018 argued that the regulatory framework in Zimbabwe is characterized by weak governance and corruption which leads to exploitative practices by foreign companies. The mantra Zimbabwe is open for business has contributed to these investment in mining to take place. Mlambo, (2018) argues that the government of Zimbabwe, seeking to modernize its economy and attract foreign investment, it has been actively courting Chinese firms.

3. Does these Chinese follow the procedures and requirements?

The deputy director of the Ministry of mine and development had different answers for this question and the responses were that most of the Chinese follow the procedures about (65%) of them follow the procedures. Hence revealing that about (35%) of Chinese don't follow the procedures and this leads to damage on our environment, looting and more illegally activities. Kadende, (2021) argues that the weak institutional frameworks in Zimbabwe lead to corruption and mismanagement in mining operations. Hence when there is weak governance, the Chinese have an easy way of not following the procedures and requirements. He continues to argue that Chinese investments turn a blind eye to governance requirements and they ultimately harm local communities and the environment.

What do you consider when granting a mining license to foreign investors?

The response was that they follow the normal procedure per mines and mineral CT.

4. What are the challenges faced by locals in Bindura

> "*The locals face challenges such as open pits which is dangerous because children, adults and animals face risks of falling in those pits especially during rainy season, the pits will be disclosed leading to more danger. Also, land degradation is experienced whereby our land is. Underpaid labor and overworking is the most dominant challenge faced by locals in Bindura who works at the mines of the Chinese.*"

This clarifies the assumption that the Chinese investments in mining can cause environment damage as it was evidenced in data collection.

5. What efforts are being made by the government to address these challenges?

Regular inspections are being done in order to ensure a safe environment in mining. Also, to preserve our minerals and avoid illegal mining.

Questionnaire questions

For how long have you been staying in this area?

All of the participants answered this question; from the responses there were 10 resident who had stayed for more than 0-5 years and the rest of the employees stayed less than 6-10 years. The Differences in number of years they stayed helps in understanding the views that the Respondents share about their employers.

Who is the owner of the mine in this area?

Most of the locals responded that the Chinese operated the company but it is owned by Zimbabwe. Then some respondents did have clear knowledge about the owner.

How long has this mine been operating

Many participants responded that the mine has been operating for 5 years and it is expected to operate for more years to come. The operation of the mine started to be effective when Chinese investors came to invest at the mine. Most respondents have been living in condition of fear to lose their homes due to mining activities.

What do they mine?

The response to this question was chrome.

Is the mine legally registered?

From the response I got most of the locals employees of the Tonghu Investment mine answered that the mine is registered. The question was meant for assessment to know whether the people know about the mine and what is happening there.

Many respondents gave complains about the challenges they face. Chinese investors are not considerate of the local's health because of the pollution that occurs at the mines, the locals are affected. The employees face harsh working conditions and risk of health due to the heavy job and pollution.

4.5 Discussion on findings

Chinese investment is impacting positively on employment since it was found that almost (60%) employed in Chinese mines and companies are Zimbabweans. However, from the Data gathered from interviews most employees are given low wages. Although there is creation of employment but, the remuneration seems to be low for most Zimbabwean employees which can lead to unsatisfied and disgruntled employees. This can be corresponded to the argument by Mlambo, (2019) that Chinese investments in mining downplays political issues including human rights whereby there is no benefit to local labour. The Chinese overwork their employees and they are harsh to them. There has been several circulating videos of Chinese mistreating their workers whereby they may use physical abuse to their employees. Thus, the Chinese are simply taking advantage of the current crisis that the nation of Zimbabwe is facing.

The Chinese have a close knit society which does not permit their money to circulate in other spheres except their own. Majority of participants also indicated that they normally buy their equipment in China and they do business with Chinese business people in Zimbabwe. Hongwe and Banda, (2017) argued that the Chinese investments is increasing its own economic persuits as it creates jobs for the Chinese populace. This is in line with what most respondents told the researcher. These findings may further show that, there is circulation of funds amongst the Chinese and to some extent the economy of Zimbabwe does not benefit. This is because trade is unbalanced between China Africa since China is a superpower and in the case of Zimbabwe, Chinese products have created a competition with local companies, Maparure, (2014). The Chinese investors are therefore benefiting more and producing more for their country than the economy of Zimbabwe.

The Chinese from an interview indicated that they come to invest in Zimbabwe because we cannot afford to refine our minerals and their industries are already flooded so they come and invest in Africa. Hongwe and Banda, (2017) argued that the Chinese investments in Zimbabwe is highly concentrated on resource extraction and infrastructural development and this align with the Chinese response. Also, because of the carbon credit that has declined in China, they came to invest in Zimbabwe because we use less carbon credit and Chinese have the opportunity to extract raw materials. The Chinese are having disputes with Europe because of the pollution which led to the decline of carbon credit hence they had the opportunity to come and invest in Africa.

Through my research findings in the field work, I discovered that there are many sectors in mining whereby there is extraction of minerals, suppliers of mining equipment and transportation of minerals. The transportation of minerals by trucks from mines to processing plants is facilitated by the Chinese. The Chinese only use trucks from another Chinese hence promoting themselves and neglecting Zimbabweans who can also have their trucks for transportation. Chinese only order their equipment from their own Chinese suppliers not promoting the local business people who also sell the mining equipment. As a nation we won't grow because we are being neglected whilst our minerals are being looted and used for the benefit and development of China. Zimbabwean engineers are even neglected to be hired in the mines; the locals are only given the jobs that require hard labor. Sachs, (2014) goes on to predict that "China's leap will lift the most populous country on earth into the heart of politics and economics in the coming country", hence this is why they are making sure that they only benefit neglecting the local business people and enhancing their economy and promoting their own people's businesses. Chinese leaders frequently use the phrase "win-win cooperation" to describe their foreign investment strategies. This reflects a belief that their involvement in Zimbabwe can create mutual benefits providing Zimbabwe with infrastructure and development while securing resources for China.

The significant presence of Chinese companies may lead to increased political influence over local governance as these firms often engage in partnerships with government officials (Zhang, 2023). This relationship can complicate local governance and may lead to corruption or favoritism. The findings reveal a complex interplay between economic growth and social and environmental challenges. While the economic boost from Chinese investments is evident, the quality of employment and social equity issues require critical examination. Scholars like Moyo (2021) have emphasized that economic growth should not come at the expense of social and environmental sustainability.

The Chinese investments have created job opportunities for local residents. From the questionnaires that I distributed to the locals and local workers indicated that many individuals who were previously unemployed found positions in Chinese-owned mining companies. Also, studies indicate that foreign direct investment (FDI) in mining can lead to job creation which is crucial in a country like Zimbabwe with high unemployment rates (Mlambo, 2020). Chinese investment is impacting positively on employment since it was found that almost 60% employed in Chinese mines and companies are Zimbabweans (Zhou, 2021). However, from the Data gathered from interviews most employees are given low wages. Although there is creation of employment but, the remuneration seems to be low for most Zimbabwean employees which can lead to unsatisfied and disgruntled employees. Also, the Chinese overwork their employees are they are harsh to them. There has been several circulating videos of Chinese mistreating their workers whereby they may use physical abuse to their employees. Thus, the Chinese are simply taking advantage of the current crisis that the nation of Zimbabwe is facing.

The Chinese investors also cited reasons for investing in Zimbabwe. The reasons outlined by most of the investors are as follows; Zimbabwe is a safe destination, there are strong ties between China and Zimbabwe, there is peace in Zimbabwe and the good climate also contributes. From this analysis, there are indications that Chinese investors still want to come to Zimbabwe because of its attractiveness.

Mining activities often lead to environmental degradation, including deforestation, soil erosion, and water pollution. Locals have raised concerns about the impact these practices have on agriculture and water resources. The open pits that are left are dangerous for animals and people because they can fall and hurt themselves. Many stakeholders noted increased pollution and deforestation, which have adversely affected local agriculture and water supplies. Environmental organizations have raised alarms about the long-term sustainability of mining practices employed by Chinese firms. In Bindura, the environmental impact assessments conducted by various NGOs indicate that Chinese mining practices have often prioritized profit over environmental sustainability, (Muchadenyika, 2019).

The expansion of mining operations has led to the displacement of local communities. Many residents have experienced loss of land that is crucial for their livelihoods, leading to conflicts over land rights. This aligns with what Moyo, (2018) stated that the focus on rapid extraction to meet Chinese demands has resulted in the neglect of environmental regulations and local community impacts. Many locals feel that they are not adequately consulted about mining activities and their potential impacts. This lack of engagement has fostered distrust between the community and mining companies.

Mining operations can pose health risks to local populations, including respiratory issues from dust, exposure to hazardous materials, and poor working conditions for those employed in the mines. Moyo (2018) asserts that the local communities may face health and livelihood challenges while the economic benefits largely favor the foreign investors. This reveals the danger associated with the mining activities done by the Chinese. Chinese doesn't offer medication fee for the people who has been injured which is heartless.

The presence of modern mining operations can introduce new technologies and practices that may spill over into other local industries. This helps to move forward as a nation. Chitonge, (2021), argues that the Chinese investments may lead to a dependency syndrome but the presence of Chinese investments can stimulate economy and create opportunities for technological transfer and skills development thus potentially reducing lo ence of a mine often leads to skills training for the workforce, which can enhance the employability of local residents in various sectors, even beyond mining.

4.6 Summary

In conclusion, this chapter was mainly focused on presentation of data that was gathered from questionnaires and from interviews conducted. It focused on the impacts of Chinese investment in the mining sector. Descriptive data was mainly presented in a tabular form where correlation test and factor analysis was done. For the data gathered through interviews, content analysis was performed on each question to establish a pattern.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, RECOMMENDATIONS AND AREAS FOR FUTURE RESEARCH

5.1 Introduction

This chapter provides an in-depth discussion of the findings detailed in the earlier chapters, concentrating on the effects of Chinese investment within Zimbabwe's mining sector, particularly through the lens of the Bindura case study. It highlights the main themes that emerged from the research and examines the implications of these findings for various stakeholders, including policymakers, local communities, and investors. Additionally, the chapter considers the study's limitations and proposes directions for future research.

5.2 **Summary**

Chapter 1

This chapter introduces the study by providing its background, outlining its purpose, stating the problem, and defining the research objectives, questions, assumptions, significance, delimitations, and limitations, along with a glossary of key terms and a reference list.

Chapter 2

The literature review discusses the increasing volume of research focused on Chinese investments in Zimbabwe's mining sector, with a specific focus on Bindura. While previous studies indicate potential economic advantages, they frequently neglect important issues such as environmental consequences, social justice, and political factors. Future research should seek to address these gaps by using interdisciplinary approaches that acknowledge the complexities of FDI in Zimbabwe's mining sector. This would help scholars develop a more comprehensive understanding of the situation. Complexities in FDI in Zimbabwe's mining sector. By doing so, scholars can contribute to a more nuanced understanding of the ramifications of Chinese investments in Zimbabwe, ultimately guiding policies that prioritize sustainable development and social equity.

Chapter 3

This chapter covered research approach, research designed and population of the study, sample and sampling procedures data generation methods and instruments, data analysis procedures, ethical considerations, limitations and chapter summary. This chapter is detailed the way the researcher carried out in the field work.

Chapter 4

This chapter primarily focuses on presenting the data collected through questionnaires and interviews. It examines the effects of Chinese investment in the mining sector. Descriptive data is largely displayed in tables, including correlation tests and factor analyses. For the interview data, content analysis was conducted on each question to identify patterns.

5.3 Conclusions

The analysis identified several significant impacts of Chinese investment in Bindura's mining sector. Overall, the findings reveal both positive and negative effects stemming from these investments. The results are consistent with dependency theory and the Chinese investment model. Chinese investments have the potential to enhance government revenue through taxes and royalties. This research has investigated the complex effects of Chinese investment in the mining sector on Zimbabwe's economy, using Bindura as a case study. Although these investments have contributed to economic gains, there are still major challenges regarding labor rights, environmental sustainability, and community relations. The findings underscore the importance of addressing these issues.

5.3.1Revenue Generation

Chinese investments have the potential to boost government revenues through taxes and royalties. However, the effective capture of these revenues has been compromised by issues such as tax avoidance strategies employed by some Chinese firms and corruption within local governance structures.

5.3.2 Conflicts over land rights

The expansion of mining operations has led to the displacement of local communities. Many residents have experienced loss of land that is crucial for their livelihoods, leading to conflicts over land rights. In Bindura, some residents have reported loss of arable land which raises concerns about food security and community cohesion (Moyo, 2020). Many locals feel that they are not adequately consulted about mining activities and their potential impacts. This lack of engagement has fostered distrust between the community and mining companies.

Chinese companies often prioritize rapid extraction of minerals to maximize profits. This led to less attention being paid to sustainable mining practices resulting in poor management of waste material and mine dumps. Also, this led to open pits which are dangerous to the local people and their animals because during rainy season when they are filled with water they cannot be identified and people and animals may fall in the pits.

5.4 Implications for Policy

The impacts of Chinese investments in Bindura underline the need for stronger regulatory frameworks governing foreign investments, particularly in the mining sector. Policymakers should focus on creating transparent guidelines that protect local communities and the environment while encouraging sustainable practices. Collaborative efforts between the government, Chinese investors, and local communities could facilitate more equitable development outcomes.

5.5 Suggestions for Future Research

Future studies could explore the long-term economic and social impacts of Chinese investments beyond the mining sector. Research should also investigate alternative models of investment that prioritize corporate social responsibility and sustainability to promote healthier community relations and environmental stewardship.

5.6 Recommendations

Zimbabwe should enhance its regulatory environment to ensure that foreign investors adhere to local laws especially regarding labor rights, environmental protection and community engagement. Implementing stringent environmental regulations and promoting sustainable mining practices can help mitigate the negative impacts of mining activities on local ecosystems and communities. Also, it is crucial to promote transparency and dialogue between Chinese companies and local communities by establishing mechanisms for community input in decision making processes. This can help build trust and reduce social tension between locals and Chinese. Hence, policymakers should focus on creating transparent guidelines that protect local communities and the environment while encouraging sustainable practices. Collaborative efforts between the government, Chinese investors and local communities could facilitate more equitable development outcomes.

5.7 Suggestions for further research

Future studies should evaluate the effects of Chinese investment in other regions of Zimbabwe or contrasting them with investments from other countries to identify patterns and differences. Also, there should be sectorial analysis whereby researchers will be examining the impacts of Chinese investment across different sectors beyond mining to understand broader economic implications. Furthermore, conducting qualitative studies to capture the nuanced perspectives of local communities regarding foreign investments and their socio-economic implications. By addressing these areas, future research can contribute to a more comprehensive understanding of the complex interplay between foreign investment and local development in Zimbabwe. Chinese investments should also be studied looking at how they we interested to invest in Africa and what impact they have in Africa to have a more understanding. Also, future research should look into the philosophy of Chinese in order to try and understand their views and thinking about Africa so in order to gain a broader understanding of how they view Africans.

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APPENDIXIES

BINDURA UNIVERSITY OF SCIENCE EDUCATION

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DEPARTMENT OF PEACE AND GOVERNANCE

28 November 2024

TO WHOM IT MAY CONCERN

RE: REQUEST TO UNDERTAKE RESEARCH IN YOUR ORGANISATION

This serves to introduce the bearer, [illegible], Student Registration Number B210843B, who is a **HBSC PEACE AND GOVERNANCE** student at Bindura University of Science Education and is carrying out a research project in your area/institution.

May you please assist the student to access data relevant to the study, and where possible, conduct interviews as part of a data collection process.

Yours respectfully

J.KUREBWA (DR)
<u>Acting Chairperson</u>

BINDURA UNIVERSITY OF SCIENCE EDUCATION PEACE … 28 NOV 2024 FACULTY OF SCIENCE EDU… PRIVATE BAG 1020, BINDURA, ZIMBABWE

DISTRICT DEVELOPMENT CO-ORDINATOR BINDURA DISTRICT OFFICE 14 MAR 2025 P.O. BOX 240, BINDURA MASHONALAND CENTRAL

DEVELOPMENT HUMAN RESOURCES OFFICER 17 MAR [illegible] P.O. BOX 1012, BINDURA ZIMBABWE TEL

Interview guide for key informants in local, central government and private sector

Introduction

My name is Bonafide T Munanga and I am a student at Bindura University currently studying for Bachelor of Science Honours Degree in Peace and Governance. I am carrying research on the impacts of Chinese investments on Zimbabwe's economy in Bindura. I am kindly asking for your contribution in my dissertation research project. The participants shall remain anonymous and they will be sorely used for the purpose of this study. All information provided by respondents will be treated with strictest confidence.

Demographic information

1. Age....................

2. Occupation....................................

3. Level of education...

1. What type of investment are the Chinese bringing?
2. What are the policies that govern investments in mining by externals particularly by Chinese?
3. Do these Chinese follow the procedures and requirements?

   What do you consider when granting a mining license to foreign investors?

4. What are the challenges faced by locals in Bindura?
5. What efforts are being made by the government to address these challenges?

Interview guide for Chinese mining company

Introduction

My name is Bonafide T Munanga and I am a student at Bindura University currently studying for Bachelor of Science Honours Degree in Peace and Governance. I am carrying a research on the impacts of Chinese investments on Zimbabwe's economy in Bindura. I am kindly asking for your contribution in my dissertation research project. The participants shall remain anonymous and they will be sorely used for the purpose of this study. All information provided by respondents will be treated with strictest confidence.

Demographic information

1. Age...................

2. Occupation....................................

3. Level of education...

1. What mining actives are you engaged in?

2. For how long have you been operating?

3. What motivated you to invest in Zimbabwe?

4. What are the challenges are you facing in getting mining licenses?

5. What are the demands or conditions you have to do to obtain license?

6. How are they contributing to the development of the local communities they are operating?

Introduction

My name is Bonafide T Munanga and I am a student at Bindura University currently studying for Bachelor of Science Honours Degree in Peace and Governance. I am carrying a research on the impacts of Chinese investments on Zimbabwe's economy in Bindura. I am kindly asking for your contribution in my dissertation research project. The participants shall remain anonymous and they will be sorely used for the purpose of this study. All information provided by respondents will be treated with strictest confidence.

1. AGE 20-25 26-40 +41

2. Gender F M

3. Marital status Single Married

4. Profession/ Trade……………………………………………………………………………………

5. For how long have you been staying in this area?

0-5yrs 6-10yrs +10yrs

6. Who is the owner of the mine in this area?

Zimbabwean Chinese Other foreign investors

7. How long has this mine been operating?

0-5yrs 6-10yrs +10yrs

8. Is the mine legally registered?

Yes I d

9. What are the benefits/ advantages of having this mine in your community?

Kindly tick the relevant

Benefit	Strongly agree	Agree	Neutral	Disagree
Employment creation for locals				
Improvement of basic infrastructure				

Others please list…………………………………………………………………………………………
…………………………………………………………………………………………………
………………………………………………………………………………….

10. How is the government regulating activities and operations at this mine?

	Strongly agree	Agree	Neutral	Disagree
Regular inspection				
Enforcement of stipulated				

condition				

11. What challenges are you facing as locals imposed by Chinese mining companies. Rate the challenges from 1 to 7 being the greatest challenge

Challenge	1	2	3	4	5	6	7

12. What do they mine at this mine……………………………………………………………………

13. What kind of development would you like in your community which the mining company can do as their corporate social responsibility

…………………………………………………………………………………………………

…………………………………………………………………………………………………

…………………………………………………………………………………………………

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