

THE SOCIAL, ECONOMIC AND ENVIRONMENTAL IMPLICATIONS OF DIAMOND MINING IN CHLADZWA



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FOREWORD

The Centre for Research and Development (CRD) is deeply involved in the overlapping issues of democracy, resource extraction, human rights, and sustainable development.

Zimbabwe, like other nations in Africa, is rich in variety of minerals but the blessings of this natural wealth have neither percolated up nor gravitated down to benefit the people of Zimbabwe.

CRD is honoured that Southern Africa Resource Watch (SARW), who supported this project and whose hallmark is the commitment to deepening democracy, protecting human rights and enhancing good governance in the region has co-joined and co-terminus his vision with CRD.

CRD's study "*THE SOCIAL, ECONOMIC AND ENVIRONMENTAL IMPLICATIONS OF DIAMOND MINING IN CHIADZWA*" examines in detail the far-ranging impact of mining operations.

It is hoped that this work will provide a type of conflict map of the area, delineating points of contention and also will point towards remedies and equitable, fair and just solutions.

After all, with a map one cannot be totally lost.

The last chapter of this study is entitled: "Way Forward and Recommendations." CRD strongly believes that there must be lessons learned from the mining operations in Chiadzwa.

CHAPTER ONE: **BACKGROUND**

1.1 Overview

In recent years, the Zimbabwe government has been heavily criticised for controversial macro- and micro- economic policies that have plummeted the country into a deep economic crisis. The Economic Structural Adjustment of the 1990s, the Fast-Track Land Reform and Resettlement Programme (LRRP-Fast Track) of the early 2000s, Operation *Murambatsvina* of 2005 and Operation *Chikorokoza Chapera* are examples of policies that negatively affected communities. The working class, peasant farmers and the vulnerable were plunged into abject poverty. The United Nations estimates that by the end of 2008 over six million people in Zimbabwe faced severe food shortages and were dependent on emergency international food aid. Only six per cent of rural schools were operating. Fewer than six per cent of the population had jobs. As many as three million people had fled the economic hardships to neighbouring countries and abroad (PAC 2009).

The economic situation, prevailing since the early 1990s forced many Zimbabweans to look for alternative sources of livelihood. The last two or so decades have seen a large number of artisanal and small-scale miners mostly involved in gold and diamond mining. These are regarded as viable sources of a living income because of the high value of the minerals. Despite recognising the importance of these activities as alternative sources of livelihood, the government regard the activities as illegal apart from cases where the small-scale miner has been registered. There are thousands of such cases throughout Zimbabwe.

Diamond mining in Chiadzwa started as an illegal activity carried out by members of the community who were attempting to find alternative sources of livelihood. It is said that by 2006, De Beers (a South African Diamond Mining Company) had undertaken some feasibility studies and prospecting in Chiadzwa after being granted a prospecting order by the government (The Zimbabwe Independent, October 3, 2006, page1; PAC, 2009). The presence of diamonds was not overtly declared but some illicit visits by De Beers' staff prompted locals into finding out that there were diamonds in the area. Although locals realised that the stones were valuable, they were not aware of the exact value of the diamonds. For this reason they traded the diamonds for such commodities as soft drinks or cigarettes in what can be said to have been some form of barter trade. However local community members soon became aware that the mineral was very valuable and this led to what can best be described as 'a diamond rush.'

What started as an alternative means of survival soon attracted the attention of the international community with buyers and miners coming from far and wide. When government eventually intervened, many people had already firmly established themselves in the diamond mining and trading activity. It is a dichotomy that at inception the government seem not to realise the illegal activity. Later however, the same government harassed and arrested community members who were involved in diamond mining and trading. The ensuing conflict led to many people being killed during a military clean-up exercise of the area at the end of 2008. Hospital officials at Mutare General Hospital reported on one occasion the arrival of 75 bodies believed to have been killed in the 'Chiadzwa conflict.' It is also said that hospitals in other parts of Manicaland Province, including Rusape, Chipinge and Chimanimani had received their own consignments of dead bodies.

The project sought to document the progression of events in Chiadzwa in terms diamond mining and trading, the socio-economic and environmental impacts and the conflict between authorities, (government agencies) and the local communities. The project has as its objective to inform the degree of adherence to the doctrine of "Permanent Sovereignty over Natural

Resources.” It is hoped that the project will inform community members of their rights in relation to natural resource allocation and development.

1.2 Physical and Socio-economic Background of Chiadzwa

The Chiadzwa area of Marange falls within Agro-ecological Zone IV with low annual rainfall and high temperatures that are not suitable for successful crop production. The most successful crop production activity under the climatic regime is production of drought tolerant crops such as millet, sorghum, groundnuts and round nuts. Low rainfall is one factor in perennial low crop yields, but poor harvests are exacerbated by the poor sandy soils of granitic origin. There is however a thriving but subsistence livestock activity which has been the communities’ lifeline since people settled in this area from the Eastern Highlands. These are people who were relocated by the White Settler regime to allow for the establishment of plantation agriculture in the 1950s and 60s. The average household asset portfolio was very poor, resulting in many families sending their children for cheap labour to other rural areas and towns where they would work as maids and herd boys. Some ended up as ‘street kids’ in the city of Mutare where they survived on begging. Diamond scavenging became popular because the local communities were used to this type of life, of scavenging for livelihoods. This is also the reason why government intervention that threatened to take away the only viable livelihood source met with resistance. From an unknown background, Chiadzwa was now viewed as a resource rich area with many players eager to be identified with it.

1.3 Traditional and Cultural Background

The Chiadzwa chieftainship (under paramount Chief Marange) which is the traditional or customary authority over the mining area has managed natural resources through the traditional mechanisms of sanctions and incentives including the protection of sacred sites such as the Ushonje Range, where active diamond mining began. The area in which Chief Chiadzwa has authority over is enclosed between Agoni Stream to Singwizi River, from Save River and Chisawe stream to Odzi River down to its confluence with Save River. Chief Chiadzwa exercises authority over more than ten villages which are presided over by village heads. Despite having autonomy from Marange, it is said that each time the Chiadzwas have some rituals to perform they invite the representatives from Marange.

While traditional and modern institutions of governance have co-existed since the advent of colonialism, there have been some durable taboos, customary rules and regulations that have withstood but not entirely resisted foreign influence. The chief, village heads and spirit media have long been responsible for declaring sacred groves, sacred days, enforcing sanctions and incentives for compliance and conformity with traditional norms and practices. Within these, sacred shrines such as cemeteries, mountains and pools, language, resource harvesting and behaviour are controlled. Observance to these issues, according to the traditional leadership, is monitored by the chief’s police (*machinda*) who are responsible for monitoring and bringing to court those who violate the rules. The community also has some shared norms and practices against trespass, water management, hunting and other community relations. The Ushonje Mountain Range (which became the major diamond mining area) was once protected under customary and traditional law.

1.4 Political Context

When the artisanal diamond mining started in Chiadzwa in 2006, Zimbabwe was suffering an acute economic depression arising from a polarised political environment between the opposition Movement for Democratic Change (MDC) against the ruling Zimbabwe African National Union - Patriotic Front (ZANU-PF) and their respective supporters. Because of governance issues and alleged human rights abuses the European Union and United States imposed targeted sanctions. These had a negative impact on investor confidence and is said to have contributed to the poor economic performance of the nation.

When mining started, either government turned a blind eye, or encouraged the uncontrolled mining since no one moved to stop the haphazard activity. Questions were raised why the state would allow the indiscriminate mining and trading in diamonds when if the mining was controlled, it would assist the country's economic recovery. There is no one with a definite answer to this question.

For example, it is believed that government paid a blind eye to the activities in order to maintain political support from the public. The Mutare South constituency in which Chiadzwa is located was won by ZANU-PF during the 2002 parliamentary elections. Some think that people were allowed to carry on with the uncontrolled mining as a way of saying 'thank you' by the ruling party, ZANU-PF. It was believed that laxity in stamping out the illegal mining would make ZANU-PF maintain its popularity in the constituency. Some however are of the opinion that ZANU-PF was taken by surprise concerning the diamond endowment and therefore it did not have a strategy for its 'people' to become involved. This period was therefore a window period during which ZANU-PF was strategising in order to later takeover the diamond mining. This could be true considering the heavy handed handling in stamping out the illegal diamond mining that later took place. The involvement of political figures in the diamond mining arena and the uncontrolled mining of the precious stone added to the opposition's issues in campaigning against the ruling party, ZANU-PF.

1.5 Chiadzwa Local Community

The concept of human security as defined by UNDP (1994) entails the provision of basic human needs (Burton, J; 1990 and Maslow, 1963). Such needs include economic, food, health, environmental, personal, community and political requirements. If one took into account the issues defining human security, one would agree with the Zimbabwe Vulnerability Assessment Report of 2009 which classified the communities in Chiadzwa as among the most vulnerable rural communities in Zimbabwe. The per capita income for this part of Manicaland was among the lowest in the country. There were no income generating activities in the area apart from those related to rain-fed crop production and livestock production, trading in water melons, groundnuts and round nuts. The main other source of income for members of the community was from remittances from family members either in the Diaspora or in towns. Other sources of income include harvesting and selling of wild fruits, selling of wooden carvings which are later exported by cross border traders to South Africa and other regional markets. The indigenous fruits that are traded include fruits from *munyii* (*Berchemia discolor*), *muuyu* (*adansonia digitata*), *mushumha* (*Diospyros mespiliformis*), *mukwakwa* (*gwarada gascariensis*) and other non-timber forestry products.

The government's responsibility to provide for human security requirements was compromised by the declining economy. The supporting infrastructure for the Chiadzwa communities' welfare had collapsed with clinics, roads, schools and roads having literally crumbled by the end of 2008. Basic human security and infrastructure development concerns had stagnated or deteriorated at the onset of the Chiadzwa diamond rush. Water supply infrastructure such as dams and boreholes had started to show signs of dilapidation and the community had to resort to the illegal artisanal diamond mining.

CHAPTER TWO: **SOCIAL IMPLICATIONS OF THE CHIADZWA DIAMONDS MINING**

2.1 Overview

This chapter examines the community's narrative on the social transformation of Chiadzwa after the discovery of the diamonds. While conflict over precious stones in other parts of transitional Africa has pitted the state against some rebel movements, the Chiadzwa case was different. In Zimbabwe, the state took control and opened up the diamond claims to a hungry, impoverished community, creating some management chaos that would later develop into a miniature diamond war. The struggles for the diamond claims which were fought at, global, national and local levels had their largest toll on the local community while the dysfunctional policy environment into which the diamond conflict evolved, changed the society-nature interface in radical ways. While interventions were deployed to rescue the treasure, not much was done to restore the community and social fabric torn by a huge capital and immigrant inflow. Even as the claims became regularised after 2009 the patterns of possession and dispossession, have left communities displaced and more vulnerable than before.

2.2 Diamond Mining – Early Days

The Chiadzwa diamond rush began in March 2006 when news circulated that Chiadzwa was rich in the precious stone (CRD, 2008). During the initial stages, mining was free for all (*bvupfuwe*)¹ with police only serving to maintain law and order. Although the police camped in the Ushonje range they did not interfere with the diamond mining which had come at the height of an economic crisis and social scarcity. Social provisioning and protection had grounded to a halt and diamonds had become a source of livelihood for some and at the national level, a political inducement. Chiadzwa diamonds came one year after Operation Murambatsvina which caused 700 000 families to lose their sources of livelihood, shelter or both in the urban areas (Tibaijuka, 2005). The diamond rush therefore was led largely by the jobless and homeless, the majority of whom were direct victims of Operation Murambatsvina. Of note is the fact that leading the pack were not members of the local community but people from outside Chiadzwa including those displaced by Operation Murambatsvina.

In order to regularise the diamond mining there were many issues to deal with. For example, when the Zimbabwe Minerals Development Company (ZMDC) moved into Chiadzwa in December 2006 on an exploration exercise it was discovered that 25 000 panners were already in the area (Manica Post 13-19 March 2009). ZMDC found it prudent to start mining immediately to ward off the illegal miners. Unfortunately efforts that had been made countrywide to stamp out illegal mining had failed in the Chiadzwa area. Calls to rid the area of cholera and crime increased, ending up with a high powered government delegation that called off all illegal mining until further notice. Promises were made that Chiadzwa citizens would benefit from the mining. As a result traffic into Chiadzwa immediately fell as people anticipated positive change from these promises. Unfortunately the illegal mining by the villagers reconfigured itself to illegal mining by the police, who teamed up with artisanal miners to form mining syndicates. If one intended to mine diamonds, one was expected to pay a fee and this was controlled by the mining syndicates.

Africa Consolidated Resources had initiated a fencing programme of the area where the diamonds were being mined. The programme was abandoned during the “free for all” period. ZMDC revived the programme but abandoned it no sooner it had started, allowing a renewed phase of the illegal mining. However, this new wave was characterised by panners grouping

¹ A stage in 2006 when the illegal mining was not restricted by law enforcement agents (Interview source February 19, 2009)

themselves into camps that worked hand-in-hand with the syndicates that extorted money from the illegal miners.

Government seems to have failed to contain the situation leading to launching of *Operation Hakudzokwi* (area of no return) at the end of 2008. This was a military operation that was intended to stop all diamond mining activities that were outside the “law” or to stamp out all diamond mining activities that government deemed illegal. The operation used both helicopters and infantry support to crack down illegal diamond mining and hence heavily criticised for the heavy handed way the situation was handled. There are unconfirmed reports that soldiers looted civilian possessions under a sub-operation called *Operation Wakazvionepi* (Where did you get your riches from?). Further unconfirmed reports are that suspected panners and dealers were tortured and some even died during these operations. The security situation created fear in the community that caused villagers, spouses, and traditional enemies to frame each other, leading to human rights abuses. It is also reported that the military became involved in diamond mining together with senior police officers they recruited villagers to do the mining for them but the villagers gained very little if anything at all. It was because of , human rights abuses and the military involvement in diamond mining that became the basis for the international ban on Chiadzwa diamonds and their classification as conflict diamond.

The human rights abuse issue came under the spotlight with, Centre for Research and Development and other civil society organisations condemning the alleged human rights abuses in Chiadzwa. The human rights concerns raised by civil society resulted in a Kimberley Process Certification Scheme (KPCS) fact finding mission in June 2009 which recommended an urgent demilitarisation of the fields. This was followed in November 2009, by placing Zimbabwe under a Joint Work Plan at a meeting in Swakopmund Namibia which was meant to ensure that Zimbabwe’s diamond industry met the KPCS requirements. Efforts were made by companies that had been given licences to mine diamonds in Chiadzwa to meet the KPCS standard. By September 2010 Mbada and Canadille mining companies had been certified as having met KPCS standards which meant that Marange diamonds from these companies could be traded on the open international market.

2.3 Impact of Diamonds on Cultural and Tradition Values

Traditional leaders were interviewed in order to establish their views on the diamond mining activity. They were quick to point out that even before the discovery of diamonds the Ushonje Range was regarded as a sacred mountain. The sacredness of the Ushonje Range is demonstrated by many mysteries that take place in the mountain. The traditional leaders pointed out the uncharacteristic roars of lions and the sudden appearance of rare animals such as buffaloes, and sighting pythons. It was also reported that people are known to have disappeared without a trace in the mountain.

Traditionally there are many activities that culture and tradition forbid to take place in the mountains. For example, the use of foul language to describe fruits and other observations is forbidden. Sexual misconduct and cutting down of trees that are deemed sacred were classified as forms of spiritual disobedience. Perpetrators would be punished and their families receiving a curse.

Both villagers and the traditional leaders pointed out that they were aware of the wealth in the Ushonje Range. Through the local spirit medium they were meant to understand that the wealth was for the Chiadzwa community only. The influx of illegal miners and dealers was a violation of cultural belief. In addition to this worry, the Chiadzwa community was also worried about the violation of local custom and tradition as follows:

1. The wayward social practices such as rampant prostitution and sexual misconduct in sacred groves such as cemeteries and the Ushonje mountain range.

2. There was widespread violation in the observance of sacred days (*chisi*) especially as the panners and illegal dealers were more interested in the best returns out of their poaching trips. Traditionally within the Chiadzwa area, burial and sacred days attracted leave from hard work (farm work, building, and tree felling). While these sanctions were observed during the early panning days, they soon lost value as a multi-cultural, multi-actor and destitute economy transitioned into widespread criminality and defiance.
3. The intruders' use of foul language was common as they did not uphold the rural customs of diction and etiquette.
4. The immoral pursuit of money resulted in murders both within and without the mining area.
5. The rules of trespass were not respected as the panners created their own tracks through villages and fields.
6. The respect for the environment died, with mismanagement evident in the forms of littering, human excreta and unrestrained resource depletion of forests and water.

2.4 A New Social Order

2.4.1 Community Dissonance and the Panner Culture

As the panners increased their dominance in the day to day events of Chiadzwa and the surrounding areas, local practices were gradually being displaced and replaced by a new social order where the villagers interacted with the police, the panners, the buyers, traders and military. The new settlers established houses to rent close to the mining area or at other strategic locations where business such as running brothels, operating makeshift nightclubs and *bureaux de change* (illegal currency exchange arrangements, which became a source of employment for several youths) took place. These locations were regarded as safe by security-civilian panning syndicates as they ensured dealings outside public scrutiny and condemnation. Unfortunately however, such business practices ended up affecting local youths who abandoned homes and school in search of activities that would earn them some money.

The way of living in the villages changed as panter-villagers interacted. Under normal circumstances the panter-community relationship was of mutual benefit as panners offered business to the communities through their promotion of food sales and through providing rental accommodation to the panners. Households also benefitted when the panners had good outings as the panners would assist in buying food and other necessities. Unfortunately however, the cordial relationship ceased whenever the panners were getting nothing. Villagers complained that when the diamond fields were not rewarding, the panners would resort to stealing and engagement in all sorts of illegal activity that would put the host households in danger. During the subsequent activities that were carried out to regularise diamond mining, household were put at great risk as they were accused of sheltering illegal miners.

Heads of households complained that panners did not respect local custom that prohibited anyone passing through someone's field. The people in Marange are very superstitious when it comes to strangers walking through one's field especially when there is a crop in the field. It is feared that one might have supernatural or magical powers that would affect one's harvest in favour of the trespasser. To avoid this from happening, people are not allowed to walk through someone's field. However, the panners did not respect the local custom as they could stampede through anyone's field. In some cases panners even used the bush fences as firewood, much to the annoyance of the villagers.

Villagers complained of the moral decay that was taking place. It is considered taboo for males and females to bath together at the same place. However this had become the norm with the panners with females and males bathing together openly. Elders had additional

worries, including the increasingly vulgar and disrespectful language and the loose morals that allowed elicit sexual relationships, wife snatching and eloping and increasing incidents of theft. The rampant sexual misconduct was encouraged by the influx of a large number of sex workers into the Chiadzwa area and this had implications on sexually transmitted infections and the spread of HIV. Unfortunately however, there are no official records on these issues. However to this health issue was added the cholera problem that hit Chiadzwa at the end of 2008 raising first the mortality of panners because of way of living but later also affecting villagers equally. Although the exact number of deaths could not be ascertained Chipindirwe, Betera and Chirasika villages recorded high numbers.

2.4.2 Breakdown in Family Structures and Values

The immediate effect of diamond mining was changing family wealth and welfare as shown by the improved food supply situation and asset acquisition. The illegal diamond mining transformed Chiadzwa from an unknown poverty stricken village to a village that was connected to Mutare with commuter transport and a large number of locals owning their own vehicles. It ceased to be a sleepy village to one bustling with night life, which involved both entertainment and income generating activities, including diamond mining. The miners would spend most of the day sleeping waiting for the nocturnal mining. For some, daylight chores at home included preparing food for sale to the panners. Diamond mining had established new set of family chores that were dictated by mining activities and the need share in the income that the diamonds were bringing to households.

Household power relations in most families shifted in favour of children and women whose earnings from panning were higher. This was particularly in cases where wives remained in the village and husbands were employed in the city, the women now commanded a higher income. As a result, the husband's authority in the family was undermined as the wives became decision makers and championed more family development issues.

Gender roles were redefined in Chiadzwa with women returning home late at night from their vending errands. Traditionally women are expected to be home most of the time to carry out their domestic chores. Culturally it is taboo for husbands to fetch water and to cook for the family. However in the new order that prevailed in Chiadzwa husbands would be seen fetching water and cooking for the family while wives worked into the night. Women who normally only received from their husbands became involved in homestead projects such construction and refurbishment of the homes, paying school fees for the children and bought cattle and other household goods. Women's diamond related activities meant that men also had to baby-sit.

The breakdown in social and family fabric is seen in women becoming involved in activities that were regarded as activities for males, mostly social misfits. Women became engaged in the illicit sale of *mbanje* (dagga), a practice generally viewed as a domain for renegade males. Younger and stronger girls also participated in the smuggling of diamonds

Breakdown in the family fabric is also seen in the increased divorce rate. Husbands and wives made various accusations on each other in many cases leading to separation or divorce. Some women accused their husbands of excessive drinking at the expense of family care while others accused their husbands of negligence as they had turned to prostitutes. Husbands had counter accusation, reporting that in some cases wives were having out of marriage affairs with the diamond panners as they had a lot of money. It was also reported by both wives and husbands that the panners had in many cases lured young girls whom they impregnated, forcing them to drop out of school. Indeed prostitution increased involving both local women and men and those from outside. Women, from distant places would come to Chiadzwa in order to "share" the income of the panners, who on good days were known to be big spenders.

Unfortunately these activities were not long lasting, relationships breaking up as soon as earnings dropped.

The mining of diamonds had far reaching negative social impacts. At variance with custom, children also lost respect for their parents claiming that they were failures in life as they had not made as much money as the children were now making. Many started to abscond from school to join the panners to look for diamonds. The handling of large sums of money by a traditionally poor community resulted in wild social conduct characterised by excessive beer drinking, smoking, drug abuse, early sex, vulgar language as well as unplanned and early marriages. For those who went into the camp life, *mbanje* smoking, beer drinking and an easy-money mentality were typical.

2.4.3 Impacts of Formalisation of Diamond Mining

The illegal diamond mining could not be allowed to continue forever because it posed a threat to law and order and the local communities. However, the Government has been heavily criticised for the heavy handedness of handling the situation, which involved the police, the army and the air force. As a result of this many people died, with the consequence that some advocated for the Chiadzwa diamonds to be classified as “bloody diamonds.” The Manica Post (21 – 27 November 2008) reported that unidentified bodies of panners were piling up at Mutare Provincial Hospital Mortuary. The paper highlighted that some of the panners were shot by soldiers as they attempted to resist eviction from the diamond fields in an attempt to stop the illegal diamond mining. The Centre for Research and Development CRD (2008) reported that records at the hospital confirmed that as of the 5th of November, over 150 bodies had been received by the hospital mortuary from Chiadzwa. These were labelled BID Marange, meaning “brought in dead” from Marange. Whilst there are claims that the majority of the bodies had gunshot wounds, it was also alleged that some had died of diseases, and some had killed each other in the frequent fights that took place in the mining fields. Some of the bodies received from Chiadzwa were labelled “UNKNOWN” and as many as 78 bodies had not been collected from the mortuary by 3rd December 2008.

Apart from the media carrying out reports of people being injured or killed by the security forces in Chiadzwa, local people also gave accounts of what happened. Traditional leaders in Chiadzwa reported that scores of panners had died at their rural homes from injuries they sustained at the time they were evicted. However, it is difficult to trace such victims to their rural homes as some of them came from other distant parts of Zimbabwe. Villagers and traditional leaders also pointed out bodies that were discovered in the bush, some of them in various stages of decomposition. Although some had wounds allegedly consistent with beatings from the security forces, it is also alleged that some died from cholera. One of the reasons why Government moved into Chiadzwa at this juncture was not to legalise mining only, but also to arrest the spread on cholera.

Although Operation Hakudzokwi managed to bring some sanity to the mining of diamonds in Marange, it created more controversy than providing solutions to already existing problems of access to the resource. In essence, the security forces took over the activities that the illegal panners were engaged in. It is alleged that the military and the police took over the illegal mining of the diamonds and because of their position in society they carried out very successful smuggling of the diamonds out of the country through Mozambique. Mining by the military was eventually legalised with the joint venture between the armed forces and a private company.

2.4.4 The Social Implications of Relocation

The formalisation of mining in Chiadzwa meant that the whole area had to have a single land use that is diamond mining. This meant that all families residing in the diamond mining area and indeed close to the diamond fields (for security purposes) had to be relocated. Government indicated that villagers would be relocated to any of the following, Burma Valley, Odzi, Chimanimani and Nyamukwarara but The Herald of 26th January 2009 reported that around 5 000 families were going to be resettled on Arda Transau Farm at Odzi. Apart from the announcement that each household would be limited to a maximum of 5 cattle, there was no other detail about the relocation plan. There was no indication of a compensation package and the assistance that households were going to receive.

On hearing the news about the pending relocation, Plan International, an NGO that delivers educational and water infrastructure withdrew its construction material support from Gonora Secondary School and other schools on the basis that they could not donate to a school that was bound to be abandoned due to resettlement. The relocation news therefore had severe implications for the Chiadzwa villagers.

By March 2011 CRD reports that about 220 families had already been resettled at Arda Transau. The relocation of the villagers brought with it a plethora of challenges. These included food security, loss of livelihood, disruption of education, inadequate pasture. While families were happy with the accommodation provided, the families registered their reservation with the absence of a compensation scheme for their displacement. The following are the challenges that relocated communities faced.

1. **Disruption of Education:** Relocated households found that schools were not ready to enrol their children at Arda Transau. The schools took time to open long after people had already settled. The nearest school was Odzi, which is relatively too far for lower grades. The relocated families were also required to purchase new uniform and fees, which they could hardly afford because of loss of income. The schools were completed at the end of 2011 but teaching had not yet started as they were expected to start operating in January 2012. Other challenges the schools were likely to face so that teaching would not be up to standard were lack of textbooks, furniture and stationary.
2. **Food Security:** Household food security was threatened by the disruption of cropping during relocation from Chiadzwa. Traditionally there are many activities that culture and tradition forbid to take place in the mountains. In addition families found that the area allocated for their crop production was too small (0.1ha) and some lost their cattle during relocation. Whilst those families who were first moved, did so voluntarily and therefore did not receive any compensation of sort, those who were relocated later received 200kgs of maize, 4lks of cooking oil, 4kgs sugar, 24 packs of candles, 12 bars of laundry soap and a disturbance allowance of US\$1000.
3. **Loss of livelihoods:** Diamonds had become the main source of livelihood for the relocated families for four years and relocation meant a loss of livelihood with ARDA Transau failing to offer a comparable alternative. The only other source of livelihood for some was employment in the Chinese construction firm contracted to build houses for the relocated households. There was however little guarantee of continued employment once the project was completed. Some of the villagers resorted to selling thatching grass, an activity that was not anywhere near as profitable as diamond mining.
4. **Health:** Relocation normally has connotation on health as communities have to adjust to their new environment. For this reason there was need to take into account provision of health facilities before households were moved in. Unfortunately

however, when households were relocated the clinic for the ARDA Transau settlers was still under construction and people had to travel to Odzi for medical attention.

5. ***Disruption of the Cultural Linkages and practices:*** A challenge faced by one group of households that was resettled was that of accommodation that was not adequate. The issue was raised by polygamous families in view of each household, represented by the male household head being allocated one house.

2.5 The Mining Community and Mining Activities

2.5.1 Mining Activities

Before the formalisation of mining in Chiadzwa in 2010, most mining was illegal with the panners operating mostly at night as they were avoiding the security officers. There was a tripartite security arrangement composed of the Zimbabwe Republic Police (ZRP) a private security company and what was called the Reaction Team. The ZRP were in charge of patrolling the “fire guard” (a cleared area which panners were not allowed crossing). The private security company operated inside the fire guard, protecting the diamond ore and the Reaction Team would carry out raids into the fields to flush out any panners who might have broken through this security system. The Reaction Team was the most feared as it undertook sporadic raids and spot checks and had the powers to shoot and to use dogs to flush out panners.

The miners used very simple tools which included the range and pick axe, which were relatively cheap to begin with but had become expensive with time as demand increased. Other materials that the miners took into the diamond field included a torch as mining was done at night and a hessian sack to carry the ore. Some would carry a towel for hygiene purposes. To begin with, what the miners had to do was to avoid detection by the security guards but later they had to pay ‘access fees’ to the security guards of around USD10.00 but the exact amount paid depended on the officer on duty and the targeted deposit. Some deposits attracted a higher access fee than others. Even after paying the access fees, the panners mined at night because the activity was illegal except for a few well connected panners who mined during the day. For these miners, there was no need to transport the ore back to camp since digging and sorting were done in the diamond fields.

There were however days when government officials were around, and it would not be possible for the security officers to receive bribes. The Reaction Team would be uncompromising and would not allow anyone into the field to give government officials the impression that the security situation was under control. During such periods, the panners would go home empty handed. However, it is not only during high security periods that panners would not get the diamonds, but at times they just could not get the diamonds even if they had access to the fields. It is during such times that some of the panners resorted to spiritual guidance. Some would bring with them some talisman while others would seek interpretations of dreams from a local religious organisation/sect which also advised the panners of the dangers and hopes ahead. It is claimed that some panners used some form of magic to find the diamonds and to avoid detection by the police and the security guards in the field. In fact there was a lot of superstition attached to finding and failing to find diamonds. Some believed that elderly women who have reached menopause, and virgin boys and girls, because of sexual purity had better luck than other age groups. These were therefore recruited to assist the syndicates.

Life in the fields was not always easy going with miners busy looking for diamonds. There were conflicts over ownership of pits and access to them. In most cases each group would have its own pit from which they obtained their ore. In some cases another group might become interested in that pit and would make effort to access it. This was normally met by violent resistance and in some cases leading to death. In some cases however, two groups

might agree to share a pit, but conflict usually arose over sharing the extraction time as each group would be eager to return to base before the Reaction Team raids. Whenever there was conflict, it was the stronger groups or syndicates that would win with the weaker ones being expelled. A particularly strong syndicate was composed of panners from Shurugwi who were so strong that both panners and police were afraid to tackle this group. It is alleged that the group had killed a number of police dogs and rival panners. When the Reaction Team raided, it sometimes caught policemen who were busy collecting entry fees from panners but no arrest would be made as the security officers would also be bribed.

Whilst the panners' fear when going to the diamond field was from the police and the security guards and when in the fields from the Reaction Team, exist from the fields had more dangers. To begin, the panners would be carrying sack-loads of ore. The weight of the loads would depend on the age and sex of the panner. The average maximum load was 20kg. Whether one had paid for entry, there was no guarantee that the panner would reach the camp with his or her ore as there was danger that the police would take the ore unless an 'exist fee' is paid or groups of thugs would take, not only the ore, but also money and other possessions the panners might be carrying.

The thugs, known locally as *gombiros* were in some cases people who purported to be policeman and would waylay people and rob them. Some of the *gombiros* were former panners who found that it was more profitable to steal the diamond ore than to dig it and normally these would team up with rogue policemen or deserters. These gangs roamed villages and the camps, stealing from members of the community, panners and buyers alike. It was however not an easy life for the *gombiros* since in some cases villagers would get together to hunt them and when caught, they were thoroughly beaten and when panners were given the chance to administer justice, they would beat the *gombiro* to death.

2.5.2 The Mining Community

The mining community was organised into groups called syndicates. These were groups made up of people who would have set down rules that they would in the group follow in order to ensure successful diamond mining. Aspects of syndicates that were more or less the same for all syndicates are as follows: ensuring guaranteed entry into the diamond fields, securing of a market, and ensuring security, and offering rescue arrangement for those who would have been arrested.

The syndicates were built on trust, bravery, strength and area of origin. In a syndicate, people's combined strength would allow them to more work and therefore achieve better results than what an individual would achieve. Furthermore, diamond dealers preferred to deal with syndicates rather than individuals, agreeing to buy access fees for several syndicates in return for the syndicates selling whatever they found. In addition, it was through syndicates that security arrangements were made with the police for entry into the diamonds fields, during ore extraction and during exist from the diamond fields with the diamond ore.

Syndicate members were also responsible for looking for diamond pieces in the ore that would have been brought in. The number of syndicate members involved in this process, which is called *skirting* ranged from two and six, with an age range of 12 and 60 years of age. The skirting process had two major challenges, the need to avoid members stealing from each other as this would result in violence and the need for water to wash the fine sand away in order to identify the diamond. In some cases, water was hard to come by and the panners had to buy it from the villagers. In order to avoid inter-syndicate thefts, one of the syndicate members would act as an observer to the skirting process.

Syndicates were not formed by miners/panners only, but also by those involved in the buying of the diamonds. These syndicates were set up to work for the buyers, paying the panners'

access fees into the diamond fields and ensuring that the panners would not cheat on them and sell the diamonds to other buyers. For this reason, the syndicate working for the buyers would be allowed to carry out the skirting process and then pay the miners according to what they would have found in the ore.

The ideal syndicate situation was that members would work together but each on a specific chore, they would sell the diamonds together and share the earnings. The sharing was equal and did not take into account individual effort. There were cases however when syndicate members disappeared with the groups' earnings and this normally was accompanied by a manhunt and violence. The involvement of the military changed the meaning of 'syndicate' as understood by the panners/miners. It is said that the soldiers were not interested in forming partnerships but merely wanted people with knowledge of diamond mining who could identify the diamonds. Instead of equal sharing among syndicate members, for the syndicates established by the soldiers, they would take half the earnings while the civilian partners would share the other half.

The selling of the diamonds seized to be transparent as the soldiers controlled both the diamonds and the earnings to the extent that the buyer might lose the diamond after paying for it and the syndicate civilian members losing earnings after receiving the civilian fraction of the earnings. An interesting observation during the period of military and police domination of diamond mining in Chiadzwa is that the strongest syndicates had become of those who were supposed to control the illegal mining. Not only is it alleged that the police were acting fraudulently in receiving access fees, but had become the most important beneficiaries because of the following reasons:

- (a) The syndicates had access to better reserves and richer ore
- (b) They had more time to mine including mining during the day, removing the need to carry the ore to sorting sites outside the mining fields
- (c) The police would also get better prices from buyers as they later feared reprisals if they did not pay a good price.

CHAPTER THREE: **ECONOMIC IMPLICATIONS OF THE CHIADZWA DIAMONDS MINING**

3.1 Overview

The International Monetary Fund's Natural Resources Per Capita index claims that Zimbabwe is one of the countries with the highest natural resources per capita in the world. This data is disputable since it seems there is nothing to show for this. Resource based development in the country on the contrary has not mirrored any sustainable exploitation of this potential. The country is still rated 136 in terms of investment attractiveness (Cross, 2011). It is claimed that the nation commands large diamond and platinum reserves which can be used to turn around the fortunes of all Zimbabweans and over 40 exploitable minerals with potential to turn Zimbabwe into a jewel of Africa. There are conflicting figures regarding the economic potential of the Chiadzwa diamonds. Business Times Africa magazine (Edition 1, 2012) puts the potential output of the Marange diamonds deposits at 60 million carats a year - worth about \$3 billion, or more than 15% of the global diamond supply. Canadian jeweller Brilliant Earth suggests that the total value of Marange gems may be as high as \$800 billion, making them the richest fields ever found. The economic valuation of the deposits remains unknown given the shadowy arrangements under which they are being exploited. Unfortunately however, all these claims are without basis as there has not been adequate exploration to establish the exact diamond endowment of the fields. The question that remains unanswered is to what extent are the local communities benefitting from the diamond mining irrespective of the endowment.

3.2 Economic Potential of the Diamonds

There has been a lot of speculation on the potential revenue from the Marange diamond fields. Emphasising the potential diamond benefits, in the 2012 budget announcement after the Kimberley Process Certification, government said it projected US\$600 million in additional revenue from diamond sales in 2012. In 2010 the government earned \$80m from Marange diamonds and in 2011, it is understood that the government received \$174 million dollars of diamond revenue, a figure which is believed to be too low in view of expectations. The Ministry of Mines had indicated that it anticipated an income of more than \$1 billion for the year 2012 and that this would rise to \$3 billion in subsequent years. The projected revenue did not materialise. People are wondering where the revenue from diamond mining is going to since the government is only receiving a tiny fraction of what the companies are getting and nothing is going to the local communities. Members of the community that were interviewed do not understand why government is not getting adequate remittance from the mining companies. Local members of the community feel that all mining operations were taken over by the government. There seems to be some truth in this claim.

The Zimbabwe government wholly owns Marange Resources and has a 50% stake in Mbada Diamonds, which it co-owns with South African investors. Another miner, Anjin Zimbabwe is a 50-50 joint venture between the Zimbabwean and Chinese governments. The government also wholly owns the claims previously run by Sino-Zimbabwe, through the ZMDC. Government also has a 50-50 share arrangement with DMC. In spite of the joint venture arrangements of these companies, the public has not been exposed to the character of the partners government has chosen to deal with.

Based on unconfirmed diamond endowment of Chiadzwa fields there were two estimates of the total revenue that the state was supposed to get from the diamonds. The first estimate was that Chiadzwa diamonds should provide over US\$1 billion per month in revenue' (Roger,

2008). The other estimate is from sentiments such as lack of proper institutional, orderly and legal framework for diamond miners has results in the country loosing at least US\$1,2 billion per month, (Reserve Bank of Zimbabwe, 2009; Mukochekanwa, 2009). The annual income from diamonds therefore was estimated to be at least around US\$12 billion dollars, (Mukochekanwa, 2009). Some analysts however considered this to be a conservative figure. With proper management of the diamond mining some believed that the expected revenue was supposed to be higher.

Analysts have pointed out that the anticipated revenue from diamonds alone was greater than any previous GDP figures for Zimbabwe even during good years of the 1980s and 1990s. A conclusion that was reached was that the country was in a position to finance its economic recovery programme which needed at least US\$8.3 billion if the diamond industry was managed properly. Cross (2011) pointed out that the Marange alluvial diamonds fields could be producing in excess of \$100 million a month in raw, uncut diamonds. Assuming that 75 per cent of the gross revenue from these sales accrued to the State, then, this source of revenue, by itself, could double civil service salaries. However, this was not happening. Diamonds were being smuggles out of the country and new wealth is accumulating in Mozambique, Dubai, China and India.

3.3 Economic implications of the Chiadzwa Diamond

3.3.1 Informal Dealings and Smuggling

During the early days (2006) the MMCZ established itself as the sole ‘legal’ buyer of diamonds that were being produced by the ‘illegal’ miners. This responsibility was later transferred to Fidelity Printers an arm of the Reserve Bank of Zimbabwe that also had the sole responsibility of purchasing gold in the country. The practice was short-lived as foreign diamond barons started emerging on the scene with better offers for the precious stone than Fidelity Printers. Furthermore, Fidelity was later overwhelmed by the mineral production, and the gap was filled in by illegal dealers, middlemen who included Zimbabweans, Nigerians, Guineans, Congolese, Mozambicans, South Africans and others. The villagers gave accounts of how diamonding in the diamonds took place. The trade started off as a form of barter trade but where cash was involved, the preferred currency was the Zimbabwe dollar. Even foreigners had to change their currencies into Zimbabwe dollars. During the early days it is reported that one plough would be exchanged with ten pieces of commercial diamond. Unfortunately no one bothered with the carat weight since both buyer and seller had no experience in the trade). An industrial diamond piece would be exchanged with either a bar of soap, 2kgs of sugar or some second hand clothes. Only at a later stage did people especially foreign buyers start to lure panners using foreign currency.

Diamond barons started competing for the diamonds by offering different prices for the commercial diamond pieces. At business centres and other clandestine marketing points, crowds of buyers would be observed shouting their offer prices to lure panners, in what resembled any bidding system. In some cases the buyers would recruit agents to source the diamonds for them, a system that encouraged stiff competition. Those without agents would find it difficult to get the diamonds. As a result they would escalate the prices. Cases were also reported where panners were swindled of their diamonds, often after being taken to Mutare or Harare on the promise of a higher price. On arrival the panner would be dumped and abandoned without being paid. This often happened with high quality diamonds.

The diamond trade was not smooth at all. Panners and villagers reported several cases where buyers escaped with their diamonds. Some buyers took advantage of the illegal nature of the trade to steal from panners knowing that such cases were not going to be reported to the police since both buyer and seller would have committed an offence of trading in a prohibited mineral. In such cases people had to hire muscle men to reclaim their money or diamonds

from swindlers. In some cases it was reported that swindlers property was destroyed when angry panners who had been conned went to seek revenge over their lost diamonds. Villagers regret that they were cheated by buyers during the illegal diamond trade as most buyers ended up buying property such luxury cars and houses from their sweat.

It was not easy to get the diamonds or the large sums of money out of the mining area to the urban areas. Panners and buyers narrated how on coming out of the protected area they were subjected to body search by police manning road blocks at 22 Miles, Nedziwa, Chakokwa, Hot Springs, Beizle Bridge, Bambazonke Shopping Centre, Mutsago, Mukwada, Chirasika, Muchena and Zengeni. To escape to Mutare panners and small buyers would disembark from buses to avoid the police, walk through the bush and get buses again after some distance. To avoid being caught, panners developed a variety of ingenious ways and mechanisms of hiding the diamonds but some simply used the bus crew who were not searched to smuggle the diamonds and the large sums of money. The wealthier and well-connected buyers, travelling in private cars, are reported to have had safe passage to and from the diamond fields. However villagers and panners reported that on the several surprise operations conducted by police, many state of the art vehicles would be impounded and later reclaimed after paying ‘a ransom’. The situation was conducive for rampant corruption.

For the Chiadzwa communities, the diamond economy proved to be a bubble bath economy. The high valued diamonds had caused many villagers to abandon their subsistence farming, which had always failed because of the low rainfall. However when Government mounted its operations to stamp out the illegal diamond mining in 2009, and the formalisation of the diamond mining, many villagers were left stranded. Some however were luck to be employed by the mining companies. After the introduction of the army in 2009, the Member of Parliament of Chiadzwa reported that panning had decreased but had not been totally eradicated. Soldiers had instead taken over the smuggling of stones through their syndicates while the trading had been extended out of the traditional hotpots, to include far off places such as Nyanyadzi and Buhera. The sudden discontinuation of the diamond trade was sudden economic downturn for many villagers.

3.3.2 Life in Villages during the Diamond Boom

At the peak of the illegal diamond trade the free spending was the target of every trader, formal and informal. Business persons and former vendors in the area comment that prices were uncontrolled. The panners made life unaffordable for those who relied on formal employment alone as the diamonds determined the prices of goods and services. It was, however not always a period of easy life and easy money for the vendors and the villagers in general. In some cases criminal elements, unable to afford wares from the vendors, would scare them by telling them that there was a police raid. They would then loot the vendors’ merchandise as they ran away from the police. Interesting though few arrests were ever made as the police received bribes in the form of cash or merchandise. For those villagers who prepared food for panners, the food would be eaten by the police during such raids. Police would also raid villages of their goods claiming that they were sheltering illegal miners looting valuable goods during such operations.

Vendors-community relations were quite good but were sometimes spoilt by greed. Cases were reported of host families that stole goods from their logger claiming that they were impounded by police. In general however, traders paid rent and bought food at the homes where they stayed. Guest traders also offered some token to the host family when they were returning to their homes. The cordial relationship was also found between vendors and panners. There were few cases of cheating between panners and vendors.

3.3.3 Diamond Exports and the Chiadzwa Community

The illegal export of diamonds from Chiadzwa began during De Beers' 13 years of prospecting from 1992 to 2005. It is understood that DeBeers exported vast amounts of 'ore samples' during this period as revealed by The Financial Gazettee (16 November 2011). The realisation that De Beers was no longer prospecting but illegally mining diamonds forced the government not to renew its Exclusive Prospecting Orders in March 2006 when it expired and transferred to Africa Consolidated Resources (ACR). ACR's ownership of the claims was short-lived. By December 2006 The Zimbabwe Minerals Development Company (ZMDC) had moved into Chiadzwa on an exploration venture but found that there were already 25000 panners (Manica Post 13-19 March 2009. It is however clear that De Beers managed to illegally export large quantities of diamonds. The nation at large and the local community did not benefit in any way. Unfortunately the records of the De Beers' Exclusive Prospecting Orders and the ore concentration and extraction statistics have since vanished from the Ministry Mines, records.

From 2006 to 2009 extraction of the Chiadzwa diamonds could best be described using Gareth Hardin's tragedy of the commons thesis. Unfortunately however, because the villagers were not aware of the exact value of the diamonds and the miners were eager to get whatever money they could, it was the more experienced diamond barons that benefitted. The hyperinflationary economy and the lack of jobs allowed this to happen resulting in billions worth of diamonds being illegally exported. The Reserve Bank (2009) claims that during the free for all period, the country was losing \$1,2 billion per annum through illegal marketing of the diamonds. In September 2011, Keith Lapperman, an advisor to South Africa's diamond policy for the past 45 years warned that the extent of smuggling of diamonds from Marange would have an impact on the global diamond industry. He pointed out that the smuggling was going to affect diamond prices worldwide including the prices of the Zimbabwe diamond itself (Financial Gazettee, 13th November 2011).

When the 'regularisation' of diamond mining started in 2009, only two companies got the government's nod for a 50-50 share arrangement. These were Mbada and Canadille. Canadille however lost its license on a technicality and the claims was taken over by ZMDC, which went into a joint venture with Marange Resources. After some protracted monitoring through KPCS monitor, an international lobbying and a split in the KPCS structures, Zimbabwe's diamonds went through two monitored auctions by end of 2010. This was the first time of legal export of diamonds by companies operating in Marange. Eventually Mbada and Marange Resources got KPCS licences. Despite this, it did not guarantee transparency in the export of the precious stones since the government does not have policy structures that require transparency and accountability in the diamond industry.. To date there are five mining firms extracting diamonds in Chiadzwa and four of them have secured KPCS licenses. There are Mbada, Marange Resources, Anjin, DMC and Sino Zimbabwe which has since been taken over by ZMDC.

Ownership patterns and claim sizes, joint venture structure and investment and revenue for each company remain unpublished. There are however speculative data regarding the earnings from diamonds to date (Table 1). The Minister of Finance suspects that the amount of production in Chiadzwa should earn the government much more money than the current remittances. In his State of the Economy Report for March 2012, the Minister presented diamonds exports (Table 2) that amounted to US\$214.2 million but dividend remittances to government during the same period amounted to US\$30.5 million. Mbada Diamonds had the highest export shipment which stood at US\$87.6 million. Anjin had the second highest export shipment of USD72.3 million.

It should be noted that the claim sizes were bound to change due to increased exploration and extension of the claims. What is interesting to note is the fact that there is no explicit mention of sharing the resource with the local communities. The name Marange Resources might fool

one to conclude that local communities were involved. Most unfortunately, the directors are all from outside Chiadzwa.

TABLE 1: Summary of mining company ownership structure, investment and estimated production of each company

Name of Company	Claim size	Projected production	Ownership structure
Mbada	10960ha Block A	400 000ct/month	ZMDC and Grandwell SA
Marange Resources	10800 ha Block B	150000 ct/month	ZMDC
Anjin	48800 ha but still expanding (see SP grant 4765)	750000ct/month (projected to rise to 1,2 mln /month 2012)	ZMDC and Anhui (China)
DMC	4794 ha (Block E) and block F)	Approx. 100000 ct per /month OR 1.3659c/t	ZMDC and Pure Diam (Dubai)
Sino-Zimbabwe (now ZMDC)	Unknown	Unknown	ZMDC

TABLE 2: Total Diamond Exports: January to March 2012

EXPORTER	JAN – MARCH 2012 (US\$ millions)
CHIADZWA DIAMOND FIELDS	
Mbada Diamonds	87.6
Marange Resources	11.7
Anjin Investments	72.3
Diamond Mining Corporation	38.9
OTHER DIAMOND FIELDS	
Murowa Diamonds	5.7
Canadile	-
River Ranch	1.9
Mavion Trading	-
Lesley Fay Marsh	-
Diamond Angel	0.113

3.3.4 A Community Marginalised

There have not been any significant revenues from the state to the Chiadzwa Community. The government however has an indigenisation programme that intends compelling large mining companies to grant shares to local communities. Whilst the programme is noble, its shortcoming is that it does not clearly specify how the companies are supposed to do this. In Chiadzwa since most operations are in partnership with the government, one can conclude that the state has not made an effort to cede some shares to the communities.

Although the local communities have been marginalised, we should not hasten to conclude that they have not benefitted in any way whatsoever. The Chiadzwa community has reaped employment benefits from the mining companies, something which previously did not exist in the area. Those who managed their diamond income better during the illegal mining phase have managed to upgrade their quality of life. Such households not only afforded better nutrition but also managed to buy cars and sunk water wells and installed solar electricity or buy generators at their homes. Generally the illegal diamond economy had improved the income base of the ordinary Chiadzwa villager. It is claimed, although this could not be substantiated that some Chiadzwa villagers managed to buy properties in towns from diamond proceeds.

There are still not specifies figures regarding the quotas for local people within the employment structures of the companies. Most of the skilled jobs however have been taken by skilled people from outside Marange. Many of the local youth who are employed by the mining companies are employed as unskilled general labourers. Marange Resources claims to be an exception on this issue since it has taken not only to train the local youth, but also to take into account the issue of gender.

The households that were displaced are the ones that suffered dire economic consequences. Firstly they were not adequately compensated. The relocation process which was not participatory resulted in households losing property including cattle. The economic opportunities for the displaced people became worse as they no longer had the opportunity to go for diamond mining any more.

CHAPTER FOUR: **ENVIRONMENTAL IMPACTS OF DIAMOND MINING**

4.1 Overview

Alluvial mining of any mineral has been cited as one of the most environmentally destructive form of mining. Some aspects of environmental damage are quite evident. No one doubt the removal of vegetation, the excavation pits, the heaps of earth, etc that are associated with open cast mining and alluvial mining. The literature on environmental impacts of mining in Zimbabwe is biased against the activities of gold panners. There is voluminous literature on the environmental consequences of gold panning and related activities. There is however very little documentation of the environmental impacts of large-scale mining ventures implying that such activities do not have or they only have minimal impacts. Diamond mining in Chiadzwa has gone through a number of phases, from activities that can be classified as “diamond panning” activities to large-scale diamond mining and activities that can be classified as informal or formal. Realizing the potential environmental damage of mining activities, it is mandatory in Zimbabwe to carry out an Environmental Impact Assessment that includes a statement to rehabilitate the mining area once mining ceases. As far as the Chiadzwa diamond fields are concerned these concerns seem not to apply. Both informal and formal mining have been responsible for massive environmental destruction. The first issue is the environmental pressure posed by the massive influx of immigrant artisanal miners. Second is the environmental destruction and pollution associated with the diamond mining process. Finally are issues associated with environmental health. This chapter discusses the environmental implication of diamond mining in Chiadzwa since the discovery of the mineral.

4.2 Environmental Impacts

4.2.1 Informal Mining

Diamond mining in Chiadzwa started off as a free for all activity where miners and traders, middlemen and the security institutions coexisted in the Ushonje Range. The result was an influx of miners and the mushrooming of informal settlements. The main environmental concern was the lack of sanitary services in an environment that was increasing becoming densely populated. The absence of sanitary services and waste disposal infrastructure together with massive production of air pollution through dust particles, have caused unrecorded environmental deterioration that impacted on human health. The cholera outbreak of 2008 marked the peak of this degeneration. By the end of 2008 the number of illegal miners had risen to over 40000. Unfortunately the area did not have infrastructure and resources to cater for the housing needs, water supply and other sanitary requirements.

Diamond processing requires large quantities of water. For this reason, the illegal miners positioned themselves near water sources, which were also the water sources for the villagers. Because of the high demand, water was then a commodity that could be traded on the market with other goods. The water pricing was in favour of the miners who paid more resulting in some villagers finding it difficult to access water. At the same time water quality deteriorated as the number of panners using the water increased that meant an increase in sediment deposits in water sources. The water downstream of Chiadzwa became increasingly turbid. Communities downstream of the diamond area found that they could no longer use the water since it was no longer suitable for bathing and other domestic uses including watering vegetable gardens. Other upstream activities including a large number of people bathing in the water sources further deteriorated the quality of the water.

Illegal miners destroyed trees for construction of their temporal shelter and for firewood. In the diamond trading areas, it was necessary for the areas to be cleared of vegetation in order to increase visibility for fear of security ambushes. Trees were also cut for erection of vending stalls by traders who sold their wares to artisanal miners. At the bases littering was massive as miners also bought food and other goods for use during their mining trips but there were no garbage disposal facilities.

4.2.2 Formalized Mining – Environmental Impacts

The Environmental Management Act (Chapter 20:27) requires all large-scale mining operations to carry out an Environmental Impact Assessment (EIA) before mining commences. When Mbada and Canadile (now Marange Resources) commenced formal mining in 2009 they had not carry out an EIA as required by the law. EIA is important as it shows potential environmental, economic, social and cultural impacts of operations. The EIA also requires proponents to indicate mitigation measures of the identified possible negative impacts. It is said that mining companies only carried out EIAs after the Environmental Management Agency raised concern that the law was being flouted. The Environmental Management Act also requires mining companies to carry out periodic environmental audits to ensure that the EIA recommendations are being effectively implemented. Since formal mining started, no known environmental audits have been conducted to check on the implementation of the EIAs. Whilst Operation *Chikorokoza Chapera* cited the need for environmental protection as justification for the operation, it appears the formal legal mining activities failed short in taking into account environmental concerns. For this reason, downstream communities along the Odzi River have lodged a complaint against the mining companies for water pollution.

At the initial stages of formal mining companies ferried the diamond ore to Odzi River for washing the ore and removal of dust. This raised the turbidity of the soil and it became unsuitable for most downstream uses. It is obvious that the change in the aquatic environment had effects on aquatic flora and fauna. The current practice is to pump the water to the mines, which has implications on water quantities available to downstream users. These impacts however need documentation. Similarly environmental impacts such as noise pollution from heavy machinery, air pollution and impacts on biodiversity also need documentation. There is also need to examine the health implications of environmental impacts.

The relocation of villagers to ARDA Transau transferred negative environmental impacts to the receiving area. The large inflow of people into an environment that was otherwise sparsely settled is likely to raise the pressure on resources such as pasture, water, wood and land.

4.2.3 Environmental Impacts – an Overview

Impacts on soil and water resources: Whilst the alluvial diamond mining loosens the soil the heavy vehicles and machinery have the effect of hardening the soil. The loose sediment is easily carried away by the increased runoff because of the hard surfaces increasing sediment input into the Save, Odzi and Singwizi Rivers and the small dams in the area. The pollution of the Odzi River for example was more pronounced when Canadile used to do its sorting of ore in the Odzi River. It is reported that polluted water along the Save and Odzi rivers led to skin rash and livestock losses.

Deforestation: As expected there was massive deforestation. Firstly there was an increased use of fuel wood because of the influx of people into the area with no other source of energy. The miners especially needed a lot of fire wood since they lived in rudimentary shelters. Secondly the need for fuel wood for cooking increased as a

large number of people became involved in food vending to feed the miners and there was also establishment of new homes as people speculated on the future. The greatest deforestation however was caused by the mining companies as they effectively cleared large tracks of land in order to expose the diamond ore. Villagers lamented the loss of fruit trees such as the baobab tree (*adansonia digitata*) which especially Anjin removed without thought of the social and economic role the tree played in the community. One wonders under such circumstances and in the absence to enforced rehabilitation of the mines, environmentally what is the future of Chiadzwa?

Land degradation: The extent of landscape degradation as early as 2007 is aptly stated by the Deputy Minister of Environment when he visited the area in 2007 and made the following remarks:

“The environment has been ruined. If we allow panning to continue the country cannot afford its reclamation ... What I have seen is land destruction at its worst. Who will be responsible for filling these shafts? The extent of the plunder is shocking. It is as if these people were using motorized machinery like graders when they were using picks and shovels ...” (Manica Post 16 March 2007).

When ACR moved into the area, it was confronted with such a situation, observing that over a million tons of earth had been moved, creating moonscapes, hips of sand and exacerbating erosion for an area that is largely a dry area. It is clear that if manual diamond extraction was capable of land degradation of this magnitude, one shudders to think about what mechanized extraction would do.

Impact on Biodiversity: The change in both the aquatic and terrestrial habitats would have a profound effect on biodiversity, an issue that needs further investigation. The mining operations have drastically changed habitats in addition to increasing human population. Wild life seems to have been squeezed out by the human population while the mining operations created an environment unsuitable for the survival of many biological species.

Pollution: Several forms of pollution have been recorded in Chiadzwa from dust, noise, sediment, human waste associated with lack of sanitation facilities. It is the lack of sanitation facilities and hygienic conditions that brought cholera to Chiadzwa in 2008.

Cultural erosion: The opening up of the Ushonje Range for mining disrupted the social and cultural value of Chiadzwa with a long lasting imprint. First was the invasion by a large number of people with an urban culture destabilising the Chiadzwa society. Similarly there was a cultural shock when villagers were relocated to ARDA Transau which is a peri-urban location. The miners (legal and illegal) opened up burial and cultural sites against traditional practice and norms. Reburials have been conducted in some cases especially within the Mbada and Marange resources claims.

4.2.4 Traditional Leaders Sidelined

The management of natural resources in Chiadzwa has been affected by too many interest groups whose activities did not take into account environmental considerations (Table 3). The traditional leadership in Chiadzwa feels that it has been marginalised in the decision-making related to the diamond mining. Since this is a natural resource found within their jurisdiction, they felt the state usurped their authority when it came to the allocation of mining rights. In an interview with an elder in the chief’s lineage, it was pointed out that the land had been spoiled and there was therefore need to cleanse it. He also explained the procedure that should have been followed in order for a company to start mining the diamonds as follows:

- (a) The company was supposed to make a formal request to the traditional leaders who will then consult with the local spirit medium
- (b) The company was then supposed to pay four to six head of cattle for a traditional ceremony that would follow
- (c) The traditional leaders would then make a special brew for the ceremony where the four or six head of cattle would be killed; Marange and Chiadzwa spirit mediums were supposed to attend the ceremony; the ceremony was also going to be used as a cleansing ceremony for the spilt blood and acts of misconduct that had taken place in Ushonje Range.

Table 3.1 Environmental Needs, Interest and Positions of Actors in the Chiadzwa

Stakeholder	Needs	Interests	Position
Panners (<i>magweja</i> , <i>makorokoza</i>)	-income -livelihoods -jobs -improved welfare	-access to the fields -collecting as many diamonds as possible -'best prices for our pieces'	-What else can we do? This is the only lifeline -We will not leave our camps
Villagers	-welfare improvement -livelihoods	-Share of diamond wealth -state security to protect us not victimise us -No to harassment and looting of our belongings	-We are the indigenes but we got nothing out of diamonds -Soldiers to protect diamonds not our villages -No to relocation
Business and traders	-jobs -income -enlarged business	-Profits from panners	-As long as <i>gweja</i> is there business will continue
Diamond dealers	-jobs -personal development	-Quick and high profits -Built houses -Buy cars and other goods	-Should get several and cheap stones from whoever
State	-forex -indigenisation	-flush out all illegal miners and dealers -Value add our diamonds locally	-Local wealth for local people -De Beers cheated us for 13 years prospection -we are a KPCS member so mining should be proper
KPCS and WFDB	To regulate diamond trade and mining	Ensure the ban on conflict diamonds	-Investigating events in Chiadzwa -Chiadzwa diamonds banned
Mining companies	Profit	Keeping away the illegal miners	-importing capital good -remove the illegal sanctions
Traditional leaders	preserve and respect our tradition	Consult us for sustainable mining	-No to relocation and abuse of our community -Mine to be seek the blessings of the spirits of the land

Chiefs and village heads in Chiadzwa, just like anywhere else in Zimbabwe draw from a lot of generational wisdom to manage and regulate resource extraction and use. However in the case of diamond mining in Chiadzwa, they were sidelined. Traditionally land use in communal areas of Zimbabwe is regulated by traditional institutions through a system of taboos, beliefs, sanctions and incentives. Instead the traditional institutions had to contend with violations of resource extraction laws, violent crime, trespass, abusive language and disrespect of sacred places and resources. The traditional authorities were ill-equipped to address environmental crime issues committed by a highly mobile, youthful and determined mining community.

CHAPTER FIVE: **CONFLICT DIAMONDS, THE KIMBERLEY PROCESS AND THE LOOPHOLES THAT PERSIST**

5.1 Overview

When in November 2002 54 governments, the European Community, the worldwide diamond industry and NGOs met in Interlaken, Switzerland, to adapt the Kimberley Process Certification Scheme (KPCS), a milestone was achieved. This event rewarded the long-term efforts of numerous locally and internationally operating NGOs which, as a response to the civil wars in Angola, Sierra Leone and the DRC, campaigned for an international monitoring system to put an end to the existence of conflict diamonds on the world market.

The celebrations around the implementation of the KPCS were twofold. First, the Kimberley Process reflected an intriguing development in global governance and multi-track diplomacy. Official diplomatic channels cooperated directly with the industry and the civil society on one joint effort – the end of the trade in conflict diamonds – which was at the same time the second reason for being enthusiastic about the KPCS. The KPCS and the research, campaign and advertisement that had preceded it, had successfully drew a line that connected the brutal events in some African countries with the diamond industry, the global trade in diamonds, customer- and consumer behaviour. The KPCS has dramatically changed the attitudes and the modus operandi of the diamond business, making *conflict diamonds* to a widely known and globally accepted term that refers to the complexity of African civil wars and their interweaving with the rest of the world.

Unfortunately, the enthusiasm of November 2002 did not last for long. Already in 2003 first loopholes of the scheme were discovered by several NGOs. These had shown that, despite officially signed Kimberley Process certificates on diamond parcels, conflict diamonds persisted as a problem on the global market.

Whereas most points of critique on the Kimberley Process go back to logistical and structural issues that challenge the KPCS to be efficient and reliable (such as insufficient border control, corruption and conscious misclassification of parcels) the KPCS finds in the case of Zimbabwe a scenario that goes deeper than these logistical matters. There, Robert Mugabe and his security forces are directly linked to inhuman working conditions and abuses of internationally recognized human rights standards. This circumstance puts the definition of conflict diamonds on the spot, asking for an urgent amendment of the concept in order to remove also all those stones from the market which are connected to human rights abuses that are exercised by a country's government itself.

Before the report at hand will elaborate extensively on the case of Zimbabwe, this introductory chapter will first explain the emergence of conflict diamonds as a phenomenon and as a term which was used to set in motion a process that was completed in November 2002 with the adoption of the KPCS. This will be followed by an explanation of the most threatening logistical and structural loopholes of the Kimberley Process before a first and brief description of the Zimbabwean case will be provided.

5.2 Africa, Diamonds and the Kimberley Process

The history of diamonds as high-value trade commodity is short but intense. In approximately 130 years, diamonds have risen from a semiprecious gemstone to the most valuable icon for love and beauty and, almost simultaneously, to the most famous symbol of African civil wars. This chapter will briefly summarize this complex history; starting with the establishment of

the South African company De Beers and their invention of the precious diamond, continuing with the appearance of conflict diamonds in the 1990s and ending with the establishment of the Kimberley Process as an attempt to remove conflict diamonds from the global market.

5.2.1. From Precious Diamonds...

The invention of diamonds as something rare, valuable and as essential signs of esteem is a relatively recent development in the history of diamond trade. Up to the late 19th century, diamonds were found only in a few riverbeds in Brazil and India and their entire world production only amounted to a few pounds a year. The definite value of the mineral was at this time not yet established, and until then, the diamond price largely depended on the alleged scarcity of the mineral. When huge diamond mines were discovered in South Africa in 1870, the dynamics of the diamond trade changed dramatically. The new mines were scooped out by the ton and the international trade market in diamonds was about to be flooded with stones. Consequently, the British financiers of South Africa's mines saw that their investment was endangered, if one would fail to control the diamond trade on the world market. Thus, the major investors merged their interests into a single entity that would be powerful enough to control the entire production and trade of diamonds. In this effort, De Beers Consolidated Mines, Ltd. was born in 1888 in South Africa which established diamond trading companies all over Europe and in Israel. Soon, De Beers owned and controlled all the diamond mines in Southern Africa and backed the biggest diamond trading companies in Europe (Epstein: 1982, Andrews: 2006, Warnica: 2012).

In the direct aftermath of the Second World War, the sale of diamonds experienced its first depression after the diamond rush of the late 19th century. The mineral had almost lost its popularity if it wasn't for the brilliant advertisement of the mineral from De Beers, which turned the stone into a must-have on every engagement ring. De Beers' campaign "Diamonds are forever" in the late 1940s was recognized as the most effective slogan of the twentieth century (Epstein: 1982; Andrews: 2006).

For almost the entire second half of the twentieth century, Diamonds could maintain their pure "Four C" image (Cut, Color, Clarity and Carat) and their high value. This image was interrupted in the 1990s when it became publicly known that diamonds, especially those coming from Africa, are directly related to civil wars and human suffering. The pure image of diamonds, which companies such as De Beers had successfully established, was rightly about to be damaged. Particularly due to the campaign of Global Witness that had exposed how diamonds fueled bloody conflicts in countries like the Democratic Republic of Congo (DRC), Angola and Sierra Leone (Perry: 2010), diamonds were distinguished by one more 'C': Conflict.

5.2.2. to Conflict Diamonds

In 1998, Global Witness, the world's natural resource watchdog, released a report titled "A Rough Trade – The Role of Companies and Governments in the Angolan Conflict". This report was ground breaking and brought about a whole new discussion about the role of Africa's resources, especially diamonds, in the continent's civil wars. Whereas until then resources were understood as the engine and the motivation for the violent behaviour of armed groups (Le Billon: 2008), Global Witness had uncovered one more problematic dimension of natural resources. Explaining how armed conflicts in Angola and in Sierra Leone were prolonged due to the illicit trade of rough diamonds by rebel groups, the NGO had raised international awareness about a phenomenon that was later to be called *conflict diamonds* (Global Witness: 1988; Wright: 2004).

As for many other political, economic and social issues that challenge Africa until today, the end of the Cold War also qualifies as a trigger event for the emergence of the so-called *conflict diamonds* as a phenomenon that threatens human security in Africa's mineral rich countries.

During the Cold War, African countries were of strategic interest for the fighting powers, who intended to expand the East and West divide to the global South as well. The continent served as a stage for numerous proxy wars in which Western- and Soviet-sponsored rebel groups fought against each other and against incumbent governments. Back then, the heavy and sophisticated weaponry of the rebel groups, either due to their alliance with the West or with the Soviets, led to a relatively quick end of civil wars in which one group had achieved military victory over the other (Tull, Mehler: 2009; Clapham: 1998).

Today, after the Cold War, the way in which civil wars are fought has changed drastically. Without Western- or Soviet funding and sponsorship, African rebel groups had to find other financial means to feed, equip and pay their troops and to maintain strategic alliances. Thus, rebel groups have turned to the commodities which the continent provides for them. Africa's natural resources that are of high fiscal value, at the same time easy accessible and meet a large international consumership, were quickly discovered as efficient alternatives to the former alliances with the West or the Soviets. In the 1990s, commodities such as timber, oil, narcotics and especially the precious minerals of the continent fell into the hands of rebels, who relied on the revenues of these resources to sustain their status quo (Clapham: 1998; Cooper: 2002; Fearon: 2004; Le Billon: 2008). In this light, high portability, intensified global transportation and technical achievements for global networking have only fostered the flourishing of a black market that exchanges the rare, expensive and valuable minerals against something more valuable in Africa: weapons (Lumpe: 2000; Global Witness: 2000; Falls: 2011). This is not to say that the emergence of black markets in Africa and the illegal trade with Africa's natural resources are exclusively phenomena of the post-Cold War era. Of course, the problematic issues around Africa's resources are as old as their discovery, or rather, as old as the discovery of the advantages and the profits they bring to the person who owns them. What is new about the trade with Africa's natural resources since the end of the Cold War, especially with diamonds, is that it has gained another dimension. Earlier, the illegal trade in diamonds on the black market was a direct threat *only* to the economy of the state that officially owned these resources. In the post-Cold War era, the control of diamond mines by rebel groups and their trade with these minerals to finance and to prolong their wars has changed the dynamics of African civil wars (Global Witness: 2000; Weinstein: 2007, Le Billon: 2008). This fact is threatening and has cast a shadow on the formerly pure diamonds, making them as dirty as the blood that was shed due to their existence.

The three most prominent examples in which the trade with diamonds has prolonged and shaped the dynamics of a civil war in Africa are the Democratic Republic of Congo (DRC) Angola and Sierra Leone.

The DRC, the problem child of the continent ever since its independence from Belgium, is the centre stage of the operations of at least six foreign armies, two major insurgencies, six smaller armed movements as well as a plethora of militias that are almost impossible to classify (Tull: 2009; Tull, Mehler: 2005). All of these bigger and smaller movements are in varying degrees motivated by the numerous resources that the country's soil yields. Diamonds, which are easy to control, small, light and incredibly popular on the world market, are in the struggles of the DRC a major issue of concern. Rwanda and Uganda are two of the main stakeholders in the conflicts in and around the DRC. Both countries invaded the Congolese battle field in 1998 and were from then on exporters of diamonds, even though none of the two countries possesses these natural minerals. In 1999, seven to ten flights from the DRC came in every day in Kigali. All of them carried diamonds, which were directly loaded on planes for Europe and shipped right out. Back then, analysts assumed that the Rwandese

government used the profit of the diamond trade (and of all the other resources that were brought to Kigali from the DRC) to finance its wars against Kabila in the DRC and his allies (Santoro: 1999). The interweaving around the Congolese diamond mines are tremendous, very complex and include many more countries than merely Uganda and Rwanda. Zimbabwe and Angola were equally important in the 1990s to understand the violent diamond hustle in the heart of Africa. However, clear was throughout the 1990s that Congolese diamonds were clear and beautiful on their surface, but black from inside. Given the lawlessness of the country, almost ever since its independence, it was hard to believe at least until the millennium that there was any diamond shipped out from the DRC, whether going to neighbouring countries or straight to Europe, that was not to be related to any kind of human suffering.

During the long years of civil war in Angola, the National Union for the Total Independence of Angola (UNITA) had captured power over the country's diamond mines after the failed election in 1992. After slaughtering the employees, who had worked in the mines before UNITA had taken over control, the rebel group employed thousands of illegal miners that in three years' time helped UNITA to generate \$430 million. This did not just pose a threat to the economy of the Angolan government that was initially in command over the mines. It also threatened the stability and the security of the entire country, because with \$430 million revenues in three years – only with the trade in diamonds – UNITA was for a long time not getting any weaker (Matloff: 1995; Gordon: 1996; Fennell, Lovgren: 1999). Due to this funding, UNITA was able to maintain a fairly sophisticated military operation which effectively ensured throughout the 1990s that peace would not be possible in Angola (Global Witness: 2000).

Recognizing this, the United Nations undertook first efforts to cut UNITA's diamond trade in 1997. Ruling that the sale of Angolan diamonds would be banned as long as the diamond parcels were not carrying the official stamp of the government, the United Nations had initiated a mechanism to monitor diamond trade (Fennell, Lovgren: 1999; Wright: 2004). Despite the good intention of the international community by sanctioning Angola's diamonds, the United Nations forgot to factor in something very essential by dealing with Africa's economic and political challenges: the continent's porous borders. These allowed UNITA to smuggle the diamonds into neighbouring countries, from where they could easily enter the world market and provide as much money for the rebels as before to the sanctions (Global Witness: 2000; Fennell, Lovgren: 1999).

A similar scenario took place in Sierra Leone. There, the Revolutionary United Front (RUF) was transformed into a well-equipped rebel movement and lethal fighting force due to their control over and the sale of high-value gem diamonds. Back then, there was no doubt that Charles Taylor from neighbouring Liberia provided support for RUF. Taylor provided facilities for training in Liberia, instruction in guerrilla warfare, weapons, and fighters from Liberia and Burkina Faso in exchange for diamonds as long as RUF stayed in control over the mines. Buyers around the globe were willing to receive Liberian diamonds, even though the country itself did by far not possess as many minerals as they sold on the world market (Global Witness: 2000; Silberfein: 2004; Falls: 2011).

In the light of the DRC, Angola and Sierra Leone, the term *conflict diamond*, which is used as a synonym to the term *blood diamond*, had gained momentum. It became the key term of activists, NGO workers and government officials who urged the international community and diamond traders to establish mechanisms that monitor the trade of these precious minerals. Today, the term is globally used for diamonds, which originate from areas that are under the control of armed forces who are in opposition to the internationally recognized government (Global Witness: 2000, Falls: 2011; UNDP: 2001).

5.2.3 Recognizing the fifth ‘C’ of Diamonds: The Kimberley Process

What was a symbol of war and violence in the global South turned into a symbol of love and beauty once it had reached the global North. Until conflict diamonds were globally recognized as a problem of international trading mechanisms, diamond trade was hardly a subject of control.

The targeted sanctions that were imposed by the United Nation on Angola’s diamond trade and later on in a similar fashion on Sierra Leone’s rough diamonds were a first step toward a better control of the business with diamonds. Both sets of sanctions protected and promoted the trade that is supervised by a national government, while undermining the diamond trade that is controlled by rebel groups (Wright 2004). As it was mentioned earlier, the sanctions on Angola could not prevent conflict diamonds from flooding the markets, because UNITA had almost no problems in smuggling the diamonds across the border into the DRC from where they could find their way into Europe. Thus, only sanctioning the diamonds from areas that were controlled by rebel groups with national certification schemes could not help solving the problem. Therefore it was necessary to oblige all the countries that had a stake in the diamond trade to engage in the endeavour of certifying diamonds (Wright: 2004; Andrews: 2006). For instance, countries such as Switzerland, far away from Africa’s conflict zones, benefited directly from the continent’s civil wars and the trade that fueled them. Various channels allowed conflict diamonds to reach Switzerland – one of the world’s largest traders of diamonds – in little parcels. From there, diamonds were sold together with *clean* stones to London or to Antwerp, where the customs documentation indicated Switzerland as the diamonds’ country of origin (Grant, Taylor: 2004, Le Billon: 2008).

To engage the South African enterprise De Beers in the struggles to uplift the diamond trade to higher ethical standards was equally important. De Beers, that in the 1990s owned around 80% of the world’s diamond production, was one of the main sinners in the report of Global Witness. Describing how De Beers was very active in the Angolan diamond trade at a time when the vast majority of the country’s mines were in the hands of UNITA (Global Witness: 1998), De Beers was publicly put in the pillory and forced to react.

By campaigning the fifth ‘C’ of diamonds, Global Witness and other organisations such as Fatal Transaction did their best in shifting the romantic and glamorous meaning of diamonds into the imagery of civil warfare (Falls: 2011). Assuming that the truth behind the beautiful minerals would change the buying behaviour of customers in European and American jeweler’s stores, thereby devaluing the diamond price, Global Witness and Fatal transaction intended to pressurise the entire system of the diamond trade (Falls: 2011; Andres: 2006). When in January 2000 the NGO Partnership Africa Canada released the report “The Heart of the Matter: Sierra Leone, Diamonds and Human Security”, public awareness was already high. With more and more NGOs and civil society movements joining in to campaign the fifth ‘C’ of diamonds, the issue of conflict diamonds became increasingly threatening for the entire diamond industry (Grant, Taylor: 2004).

As a first reaction to the campaign of the world’s biggest and most influencing NGOs on conflict diamonds, South Africa, Botswana and Namibia, three of the largest diamond producing countries, started informal talks with the United States, Belgium and the United Kingdom in early 2000. Their first meeting took place in Kimberley, South Africa, where an enormous and – interestingly – voluntary negotiation process was started to devise a system of regulations and safeguards to prevent the trade in conflict diamonds (Wright: 2004; Grant, Taylor: 2004; Perry: 2010). Thanks to the support of the United Nations, the huge NGO campaign and due to the early participation of the diamond industry’s heavyweights De Beers and the World Diamond Council, the “Kimberley Process” quickly moved into gear and was, owing to its popularity, obliged to be successful (Grant, Taylor: 2004). As more and more countries joined in, the negotiation process expanded and in the two years between October

2000 and November 2002, several negotiation rounds took place with numerous smaller meetings in between. Then, finally, in November 2002, 54 governments, the European Community, the worldwide diamond industry and several NGOs met in Interlaken Switzerland to adapt the Kimberley Process Certification Scheme (KPCS). In early 2003, the KPCS was endorsed in a Security Council Resolution that could give it certain status, despite the lack of a legally binding document (Wright 2004; Grant, Taylor: 2004, Andrews: 2006).

At the core of the KPCS are two principles upon which all members had agreed. The first principle prohibits the participants of the KPSC to import parcels of rough diamonds into their own territory unless a Kimberley Process certificate is issued by the exporting government which attests that the trading commodities have been handled in accordance with the KPCS. The second principle goes into the same direction by determining that each participant is not allowed to trade in rough diamonds with non-participants (Wright: 2004; Global Witness: 2004; Perry: 2010). For these principles to work efficiently, participant countries agreed to meet several minimum requirements. To start with, countries had to pass and implement the necessary laws and regulations for KPCS to be practicable. Diamonds that were exported or imported had to be in tamper resistant containers and in order to keep track of the diamond trade and to disclose the existence of illicit diamonds, participant countries agreed to collect, maintain and exchange statistical data on trade and production of rough diamonds. For this purpose, the KPCS had determined that every single parcel of diamonds that was exported or imported from a country has to be accompanied by a certificate that meets the requirements outlined in the agreement (Global Witness: 2004, see also KPCS Core Document from 2002).² By implementing the KPCS, governments certainly had a key position due to legislative, regulatory and administrative procedures. The diamond industry was equally important for a successful implementation of the KPCS, because from then on they had to perform in accordance with it. This left the civil society aside, which was responsible for the initiation of the Kimberley Process in the first place. To reward the efforts of NGOs and civil society groups and to acknowledge their effectiveness in promoting change, the KPCS ruled that a coalition of NGOs and civil society groups had to be granted the official position as observers, tasked to monitor the rightful implementation of the new mechanism (Wright 2004; Perry: 2010).

With the KPCS put into practice in 2003, the international diamond trading community had found a solution to the problematic issue of conflict diamonds roughly nine years after the violence in Sierra Leone had started. In the light of the KPSC, diamonds can, at least theoretically, experience another image shift. This time from *conflict diamonds* to *development diamonds*, thereby implying the economic benefits which diamonds can bring, or rather could bring, to a country that produces them (Falls: 2011).

² The KPCS suggests the following information to be part of every Certificate: Country of destination, Identification of importer, Carat/weight and value in US\$, Relevant Harmonised, Commodity Description and Coding System, Date of receipt by Importing Authority, Authentication by Importing Authority

5.3 The Kimberley Process and its Loopholes

As much celebrated the implementation of the KPCS was in 2003, as much criticised it was in the years that followed. NGOs, again with Global Witness leading the way, took their position as observers serious and focussed their work on the monitoring of the KPSC's participants. In depth research in the past decade has demonstrated the short comings of the KPSC by explaining how illicit diamonds can still enter the world market. When in 2008 the government of Zimbabwe violently wrested control over the Marange diamond fields in the East of the country, the participants of the Kimberley Process stumbled over just another loophole of the KPCS which is asking for a solution to this day.

5.3.1 Illicit Diamonds on the World Market

It had widely been quoted throughout the last decade that the amount of conflict diamonds on the world market had drastically decreased due to the Kimberley Process. This assumption is opposed by three facts. First, at the time of the implementation of the KPCS the civil wars in Angola and in Sierra Leone came to an end. Therefore, the existence of conflict diamonds decreased already due to events that were not related to the Kimberley Process. Second, porous borders in Africa and the engagement of many African governments in corrupt activities allow rough diamonds from conflict areas to be shipped out as "polished diamonds" via neighbouring countries. Third, the narrow definition of conflict diamonds, which includes only diamonds that are controlled and sold by rebel groups to fund their wars, is highly inefficient to ensure that only gems free from human rights violations enter the world market (Spinks: 2011)

The list of critique on the Kimberley Process is long. Especially the NGO Global Witness, that has devoted an entire decade to the monitoring of the diamond trade, published a high number of reports that revealed more and more loopholes of the Kimberley Process. Already in 2004, Global Witness wrote about the inefficiency of the KPCS when it comes to the diamond industry's self-regulation. This allows individual companies to create and to set up voluntarily a system that facilitates the full traceability of rough diamonds from the country of origin to the jeweler's store (Global Witness: 2004). Visiting 33 diamond stores in the United States in 2004, Global Witness was appalled by the low level of willingness of the store owners to even talk with the NGO and further by the fact that from 33 stores only four stores were equipped with staff that were actually well informed about the Kimberley Process (Global Witness: 2004, Grant, Taylor: 2004).

Another challenge for the Kimberley Process to be successful is the physical quality of diamonds. Whether diamonds are rough or polished, they are small and light. This makes diamonds, as mentioned earlier, easy to smuggle across borders. Especially this issue is a challenge in Africa, where state borders are extremely porous. There, control mechanisms are hardly in place and the implementation of efficient control systems meets enormous logistical efforts (Dietrich: 2002). This, mixed with the structural challenges of developing countries to implement new policies around the diamond mines and the high level of corruption that has prevailed throughout the last decade in the majority of African diamond trading governments, creates one major obstacle to the Kimberley Process (Wright: 2004; Grant Taylor: 2004; Dietrich: 2002). This is especially true for countries such as Sierra Leone, Angola and the DRC, all countries that are until today recovering from their violent history of the recent past, where the diamond industry cannot be certain that correctly certified parcels do not carry an element of corruption or cross-border smuggling (Grant, Taylor: 2004).

As the KPCS approached its fifth anniversary, Global Witness published another report that uncovered one more short-coming of the scheme that continued to allow conflict diamonds to

enter the legitimate diamond trade. The report revealed two dimensions in the inefficiency of the Kimberley Process. Differentiating between the illicit trade of rough diamonds and the suspicious trade in polished diamonds, Global Witness had described how both dimensions are common within the legal global market. For example between 2004 and 2006, illegal trade in rough diamonds, worth \$10.2 million, took place between Kimberley Process participant and non-participant countries. This was best visible in the case of Congo Brazzaville, a country that was expelled from the KPCS in 2004 because it was exporting millions of dollars in rough diamonds that were smuggled into the country. Unfortunately, expelling Congo Brazzaville did not help the matter, because the country simply continued trading with Western countries that did not care that the diamonds they imported came from a KPCS non-participant (Global Witness: 2007).

Of special concern for Global Witness was the suspicious trade in polished diamonds. Polished diamonds are not part of the KPCS and provide therefore a grey area through which illicit and conflict diamonds can easily enter the world market. From 2004 to 2006, as Global Witness had investigated, Congo Brazzaville, Zambia and Uganda, all non-participant countries of the KPCS, exported parcels worth \$4,7 million of polished diamonds. This was suspicious in many ways. First, Uganda and Zambia are not diamond producers and do not have a documented history of trading in rough diamonds. Second, back then Congo Brazzaville was already expelled from the KPCS due to its large-scale export of smuggled rough diamonds. The country has some few diamond mines, but none of them produces as many diamonds as the country had exported between 2004 and 2006. Moreover, there are no manufacturing companies known in each of the three countries that could have polished the rough diamonds. This led to the assumption that diamond parcels, carrying illegally smuggled rough diamonds, were consciously misclassified as polished diamonds before being shipped out of the countries (Global Witness: 2007).

Short after the KPCS was put into practice in 2003, the participants of the scheme celebrated the fact that certificates on exported or imported parcels of rough diamonds were the newly established norm. These certificates and the improved documentation of the trade in diamonds helped NGOs to uncover cases such as that of Congo Brazzaville or Ghana, where conflict diamonds were smuggled in from Ivory Coast and classified as Ghanaian origin before being shipped out. Nevertheless, as Global Witness had shown with its report in 2007, the KPCS could so far not give the confidence to consumers that the diamonds they buy are really “clean” and free of “conflict” (Global Witness: 2007; Perry: 2010).

Due to the narrow focus of KPCS, defining conflict diamonds as *“rough diamonds used by rebel movements or their allies to finance conflict aimed at undermining legitimate governments”*, conflict diamonds remain a problem. Not only because the KPCS excludes polished diamonds from monitoring and certification efforts, but also because it says nothing about gems that are produced and sold by repressive regimes, whose production involves human rights abuses and inhuman working conditions. In the light of the KPCS, especially these governments find protection and the image of diamonds remains far away from being clean or associated with development.

5.3.2 When the Government is a country’s rebel

Already short after the implementation of the KPCS in 2003 cases became popular in which the governments of diamond producing countries used unethical methods to stimulate and to increase the countries’ diamond sales. The most prominent of these cases was Botswana, where the San were forcefully resettled for the sake of diamond mining (Taylor; Mokhawa: 2003). Despite some writings about the case of Botswana, where the practices of the government were questionable at best for the sake of boosting the country’s diamond exports, the issue of unethical governments was largely kept under the table. This had changed dramatically with the discovery of the Marange diamond fields in Eastern Zimbabwe. There,

the malpractices of the Zimbabwean government in the light of the Marange mines had triggered a whole new debate on the problematic definition of conflict mines.

In Zimbabwe, it is the legitimate government that is reportedly profiting from diamonds mined in inhuman conditions, thereby not being less violent, dangerous and threatening than rebel groups elsewhere (Spinks: 2011).

It had all started in 2008, when Mugabe's government in Zimbabwe seized power over the Marange diamond fields in the East of the country. Thereby, Mugabe was not reluctant to use the police, the army and two attack helicopters to get rid of the remaining freelance diamond diggers, who had been based in Marange. Ever since, the narrow definition of conflict diamonds is one more time put on the spot. According to the Center for Research and Development, based in Mutare, Zimbabwe, approximately 200 people were killed in the 2008 attacks (Perry: 2010; Spinks: 2011). This event initiated NGOs such as Human Rights Watch and Global Witness to send research committees to the Marange fields in order to investigate government practices around the mines. The outcomes of these investigations were as shocking as expected. Zimbabwe's military, stationed in Marange, was part of grave human rights abuses. Moreover, soldiers were actively engaged in diamond smuggling practices by managing syndicates and by securing cross-border smuggling operations to Manica in Mozambique (Global Witness: 2010). Human Rights Watch reported similar practices. According to the NGOs team of inquiry, the Zimbabwean army used syndicates of local minors to extract diamonds, thereby also forcing children to work in the mines. Further, the army had recruited people from outside Marange to join the army-run diamond mining syndicates and had killed young men, who tried to hide raw diamonds (HRW: 2009).

As a result of the thorough reports of NGOs, Zimbabwe was suspended from the Kimberley Process in November 2009. But the Zimbabwean government advocated quite clearly that without Zimbabwe, one of the biggest diamond producers, the Kimberley Process would be worthless and not functioning. Thus, despite the pressure from civil society and several government participants of KPCS, a compromise deal was agreed, attempting to bring the country into line with Kimberley Process standards. This deal allowed Zimbabwe to continue the sale of its diamonds after the Kimberley monitor, Abbey Chikane from South Africa, had declared the mines to be in compliance with the KPCS (Global Witness: 2010; Perry 2010).

In the light of the Marange diamond mines, conflict diamonds per definition are almost a meaningless concept that is not equipped to separate human rights abuses from the diamond trade. The human right violations in the Marange diamond fields are ongoing, nevertheless, the diamonds from the area are allowed into the global system. Due to its frustration with the Kimberley Process and its member states who, despite the heavy evidence that was delivered by numerous NGOs and observer missions, have failed to find a solution for the problem in Eastern Zimbabwe, the British NGO Global Witness walked away from its membership in the KPCS in late 2011 (Warnica: 2012).

CHAPTER SIX: **WAY FORWARD AND RECOMMENDATIONS**

6.1 Overview

With respect to the developments in Chiadzwa, it is evident that the government's approaches and interventions have been misguided and adopted along a fire-fighting approach. Contemporary conflict management and development theory calls for a comprehensive engagement of parties within frameworks of trust, transparency and democratic participation. The paradox of the Chiadzwa diamonds is that state interests have been entrenched into both informal and formal mining operations since the years it extra-legally wrestled the claims from equally suspicious corporates. For the past seven years, the economic returns from the diamonds have accrued to diamond barons, state military, bureaucrats and foreign economies. There is increasing evidence of undercover trade and massive personalization of the diamond revenue by securocrats and henchmen loyal to the establishment. Meanwhile the social and cultural timbre of the Chiadzwa community has been negatively altered through economic deprivation, ecological deficits and geographic displacement. The state's interventions such as the issuance of a mining permit to ZMDC against the statutes in 2006, the declaration of the area as a protected area in 2007, the deployment of the army to dispel illegal miners in 2008, the resettlement of the Chiadzwa villagers since 2010, the clandestine mining licencing process in favour of military-headed companies to all fell short of addressing the interests of the vulnerable stakeholders, especially the Chiadzwa villagers, and instead subjected them to a new form of injustice through military torture, persecution and brutality. These solutions have in other words ushered in a new form of conflict where peasant resistance is expressed more covertly while getting more solidarity from off-shore sympathisers and civil society.

6.2 Recommendations and Way forward

To adequately propose recommendations for sustainable diamond extraction, three major fields need to be taken into account. These are first, the policy and legislative reform arena, second is the operational and monitoring environment highlighting the way in which the mining has been done taking into account the interests of the other stakeholders and third will be recommendation on environmental sustainability of extractive industries.

There is need to send delegations for study trips to draw insights from the diamond industries of other SADC economies such as Botswana, South Africa, Namibia, Angola and the DRC.

6.2.1 Policy and Legislative Reform arena

-KPCS

At a global level the KPCS should redefine conflict diamonds to improve transparency in the diamond industry and improve its relevance. The conceptual construction of conflict diamond if not well defined may allow for parties to grossly violate human rights. The KPCS however lacks the capacity to monitor or remedy human rights issues around diamond extraction. This challenge becomes an area where KPCS need more reform. Otherwise the effectiveness of the KP has been made questionable by the Zimbabwe diamonds. KP' review and monitoring efforts in Chiadzwa however have been fairly satisfactory but would need to be more concerted especially where security personnel engaged in illegal mining, smuggling and opaque dealings. The lack of consensus among KPCS members on whether to license Zimbabwean Diamond speaks of the lack of precise criteria of licensing and minimum compliance standards which need to be improved. There is need to reframe KP to encompass issues of governance, political oppression and violence. There is need for an actionable protocol on gross human rights abuse in the management of diamond resources. Given the failures of the KP the diamond industry urgently needs to implement a system of 'supply chain due diligence' in order to give consumers the confidence to buy diamonds without any risk that they fund human rights abuses.

6.2.2 National Policy and Legal reforms

Government should also respect its own laws and not just enforce or ignore them when it is convenient or inconvenient to do so. The essence of the rule of law is that laws should be applied equally to all citizens to democratize diamond ownership there is need to pass legislation that bans serving members in Zimbabwe's security sector from exerting any control over mining companies – including being the beneficial owners of subsidiaries of companies operating in the country's mining sector. Similarly an audit of every concession granted so far in Chiadzwa and publishes details of the beneficial owners of the mining firms

-Mineral Law Reform

Efforts to amend the Mines and Minerals Act should consider the merits and demerits of introducing the long awaited Mines and Mineral Amendment Bill. The Mines and Mineral Amendment Bill seeks to introduce a number of reforms in the mining sector. Inspiring these reforms are issues such as the system of issuing mining rights, indigenisation of the mining sector, inclusion of environmental impact assessment reports as a requirement before mining rights holders are granted a certificate of inspection and establishment of an Environmental Rehabilitation Fund (ZELA, 2011). Legislators therefore should also incorporate Corporate Social Responsibility (CSR) a legal issue in the mining sector, include provisions that ensure that communal residents displaced by mining operations receive adequate compensation and are notified and consulted on the relocation exercise, advocate for environmental protection as well as the economic, social and cultural rights of communities. Further, a good mining law should also seek to protect the rights of mining communities by ensuring that they participate and draw economic benefits from mining activities. The bill should guarantee transparency and accountability in the management of revenue from mining operations as well as in the awarding of mining contracts.

-Formalization of informal mining. CRD and other diamond monitoring organisations recommend the registration of informal miners and granting them mining claims which would not only decriminalise informal mining but ensure that diamond revenues accrue to locals/indigenous people. This will also be consistent with the Joint Work Plan proposed between Zimbabwe and KP in Namibia in 2009. This effort will also substantially alleviate the unemployment situation given the existing situation in the industrial capacity utilisation deficits.

-Revenue and Contracts disclosure: With the minister of finance and other Zimbabwean citizens and civil society deserve to be furnished with transparent accounting systems, the names and structure of mining firms, their directorships and their investment, declaration of revenue so that all parties monitor resource use and reduce corporate anonymity. Proposals for a diamond law and its promulgation should be expedited given the suspected revenue losses through undercover dealings. The Zimbabwe Revenue Authority should play its part in the “entire value chain of diamonds from mining, marketing, to distribution and collection to the Government”.

-Transparency and Accountability: Access to information is a vital tool to prevent corruption and conflicts. ZELA suggests that government and private companies should be obliged by law to disclose, publish and subject to public scrutiny all mining contracts and agreements. People should access information on the revenue generated, its distribution, the names and ownership structures of private companies given mining contracts. It would be imperative to make mining contracts public and making mining companies accountable. Such efforts should seek to promote accountability

and transparency in the exploitation of natural resources. Consistent with the Extractive Industries Transparency Initiative (EITI) (Alao, 2007), Zimbabwe's diamond industry needs to erect tight checks and balances to ensure that diamond revenue impacts on the lives of its citizens.

-Improving monitoring: The deployment of the military, ZRP, The Gold Squad, CID and CIO operatives has not addressed the security issues surrounding diamond trafficking. A more robust amalgam of these with private security would help improve in-field and external surveillance. The observance of human rights at all times should precede the monetary benefits of diamonds and these units need to be sensitised. The Chiadzwa case has had its greatest weakness in laying the supreme authority in the Military and relegating civil society and Parliament from exercising their oversight duties.

ZELA, CRD, ZLHR among other civil society organisations strongly recommend increased transparency and accountability in the diamond mining sector and other "high value" natural resources extraction ventures. Transparency and good governance are essential elements for accountability and effective management of natural resources for poverty reduction, economic growth and sustainable development. There is need to promote access to information, open debate and dialogue on natural resources use to ensure that resources are used to develop the country and not just to benefit a few people.

The oversight work of Parliamentary Portfolio Committees should be strengthened and respected by Parliament or the Executive so that they can effectively discuss extractive sector contracts and agreements as a mechanism to ensure transparency and accountability. Further, Parliamentary Committees should continue to use their powers to request government officials and private companies to account for their actions by requesting to see all natural resources exploitation contracts signed with government. Revenue from natural resources like diamonds risks being misappropriated and spent on projects that do not change people's livelihoods and economic recovery if proper measures are not put in place.

-Community development and resettlement: Consistent with the ethics and principles of corporate social responsibility, mining companies and the government should invest part of the diamond revenues in developing community services and infrastructure. In this way people will appreciate formal diamond mining better. Similarly relocated villagers should enjoy adequate compensation, be provided with livelihood buffers and food assistance and employment and empowerment and also reduce the risk and lure of criminal activity. Relocation decisions and compensation packages should be mutually arrived at with the participation of the traditional leadership and the villagers. Villagers and other informants feel that sustainable informal mining could be modelled around the CAMPFIRE approach where the communities receive benefits from proceeds of the mining venture. Such proceeds could come in cash or kind. While villagers do not resist resettlement *per se*, they feel victimised for not having voted for ZANU PF during the March 29, 2008 elections.

The Chiadzwa mines should not only be nationalised but should also be depoliticised and demilitarised to allow genuine development through community participation and engagement. In view of resettlement, there is need for some comprehensive planning, including infrastructure provision in the destination area if people are to be relocated. Villagers also felt that they should be kept close to their original homes and traditional lands. Many people also said that they were too old to relocate as they did not have any energy to set up new homes. The Chiadzwa Community Development Trust (CCDT) needs to be empowered and granted shares of the diamond wealth in the same ways that the indigenisation efforts have been enforced in other areas. The Chiadzwa case should serve as a litmus test to set the frameworks for compensation

in Communal lands where untitled tenure arrangements have been exploited by investors and government to underpay villagers. Presently, the patterns of corporate social responsibility, where mining companies sponsor national soccer and press clubs, falls short of the 'development from below' concept, as schools and clinics in Chiadzwa should be prioritised instead of the lime lighted national grand staging.

-Diamond wealth economic valuation: With increased evidence of large diamond deposits in Zimbabwe in Tsholotsho, Lupane, Murehwa, Beitbridge, Chipinge and Masvingo. The Ministries of Mines and Finance in liason with the Geological Survey experts should undergo details estimation of the diamond wealth in the country. This resource valuation allows for future planning of the diamond industry and the sustainable exploitation with future generations in mind.

-Capital flow tracking: The national economic and financial intelligence should track both the diamond exports and revenues to secure repatriation of profits and reduce externalisation. This follows the cases in 2011 when the India Revenue Intelligence Director intercepted 9.72 kilograms of diamonds worth US \$2m. In 2012 an Israeli citizen was also apprehended at the Harare Airport in possession of diamonds worth \$2m. These figures of economic losses alone speak loudly about the revenue the country is losing through smuggling to other countries.

-Beneficiating the diamonds

There is evidence that most of Zimbabwe's diamonds exported are sold to the Indian diamond industry in Surat. Surat is understood to be polishing over 90% of the world's diamond and employing thousands of Indians. This highlights the number of jobs Zimbabwe has created for other countries. By polishing the diamonds locally, Zimbabwe could significantly improve the unemployment situation and other positive multipliers. An estimated nineteen companies have been granted polishing licences by May 2012 (www.afriquejet.com/diamond-zimbabwe) but the direct contributions to Marange and Manicaland are not known. Investments into the diamond polishing are suspected to be directed to Harare, further centralising development and economic empowerment.

6.2.3 Operational and Monitoring Environment

From the inception of formal diamond mining, companies that have been extracting the diamond have had a lot of challenges associated with security, technological efficiency and labour relations.

-Security: after the setting up of the current mining companies the nature of smuggling has seen changes. Most of the diamond smuggling is now done by mine workers. These workers also conspire with the security at several entrances. Mining companies are therefore should procure state of the art searching and detecting equipment while also securing the perimeter of the claims.

-Mining Technology: As the diamond deposits get deeper, it get increasingly important to ensure more equipment for deeper mining. Even more necessary are the blasting, crushing, sieving and sorting technologies.

-Labour Relations: there are several complains about the treatment of workers in some of the companies where they report to me beaten by the company bosses while at the same time getting very low wages. While these issues need to be addressed at a policy level by the state, a monitoring structure should be implemented to ensure that

Zimbabwean workers are treated with due respect by some of the investors in the diamond sector.

6.2.4 Environmental Sustainability

Several environmental concerns are recommended for the diamond mining but the most important are the following:

-EIAs: Prior to engaging in mining, companies need to secure an Impact assessment certificate proclaiming what they anticipate to be the risks and benefits that would arise from their activities. The assessment should also lay down the mining company's commitment to address the environmental risks and negative impacts arising from its activities. In Chiadzwa, the EIA process should have been done in consultation with the villagers.

-Reclamation: Consistent with conservation requirement of mining and the EIAs, mining companies should rehabilitate and restore environmentally degraded landscapes. It may be advisable for most mining companies to start afforestation programs which would restore habitats and ecological diversity.

-Pollution Reduction:

This should include tailing ponds to reduce sediment laden runoff through infiltration. EMA should also monitor the mining operations and periodically appraise the public. The pollution of water resources is a worrying issue with severe negative impacts on downstream communities. Similarly, mining companies also need to maintain high air quality standards to reduce the risks of air borne infections and diseases.

6.2.5 Conclusions

Comprehensively addressing the challenges of formal and informal miners in Chiadzwa and at the same time ensuring sustainable livelihoods for the villagers and national economic recovery have been primary agendas in the public domain. The intrusion of mining in Chiadzwa displaced the cultural and social mosaic while privatising the commons and subjecting the villagers to several risks and harms with minimal benefits. The clandestine involvement of the state and its stakes in the formal and informal diamond economy, as indicated by the existence of clandestine networks, makes underhand diamond economy injurious to the prospective diamond-anchored economic resurgence. There is a general outcry at local, national and international about the opaque nature of the diamond mining proceed and the benefit sharing arrangements.

There is evidence that the Chiadzwa diamond deposits could really transform the national and local economic fortunes of Zimbabwe and Chiadzwa respectively. Demilitarisation, close monitoring of the diamond trade, appropriate declaration and repatriation of diamond revenues together with normalisations of relations with the western diamond markets will certainly see the Zimbabwean diamonds turning around the economy. The extractive nature of the diamond industry however should be accompanied with appropriate observance of environmental laws, appropriate corporate social responsibility, legislative reforms and transparent accountability by all stakeholders.

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