

Business and Society: Determinants and Experiences of Corporate Social Responsibility Practices in Zimbabwean Extractive Industries from 2000-2015

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Abstract

This article notes that although a considerable Corporate Social Responsibility (CSR) knowledge base exists in Zimbabwe, there have been no comprehensive studies on CSR determinants and community CSR in Zimbabwe since 2000. “The nature of socio-political change within the southern African context is such that, of late, the issue of the impact of projects on communities has become a sensitive one” (Bews, 2003: 2). CSR is “problematic for corporations because they are increasingly being required to align with societal norms while generating financial returns” (Smith, 2011: 1). This article explores the dominant narratives in CSR literature that have contributed to continuous debates in related academia, businesses, and society. Zimbabwe is resource rich, but the majority of the population is still living in abject poverty. Some have questioned whether this is indicative of a Zimbabwean resource curse. Many Zimbabweans believe that the companies benefitting from these resources should finance social programs in the country (NewsDay, 2012). This belief is a result of fiscal challenges that the government of Zimbabwe (GoZ) is grappling with. Finally, this article recommends pathways for sustainable CSR implantation.

Keywords: corporate social responsibility, Zimbabwe, extractive industries, minerals, resource curse

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Introduction and Background

This article strives to contribute to the knowledge base through the conceptualisation and understanding of determinants of CSR and exploring the experiences of communities about CSR in Zimbabwe. This article is largely reflective in its approach, referring to Zimbabwean studies and survey reports of surveys by a variety of institutions. Data has been gathered largely by documentary search and content analysis, facilitating specific conclusions to illustrate certain arguments. In the current Sustainable Development Goals and African Union Agenda 2063, Trans-National Corporations (TNC)'s responsibility is to manage the impact of their activities on and to enhance the socio-economic well-being of the people in Africa by improving the environment for capital accumulation. Viewed from this perspective, any improvement in local people's lives is incidental. While improved quality of goods and services is by no means less important in Africa, CSR has to engage with sustainable development (Matunhu 2012). The mining and extractive sector constitutes a major share of exports and tax revenues for countries in the Global South, and holds enormous potential to finance rapid economic development and poverty reduction (Besada, Lisk and Martin, 2015) Since the year 2000, a number of studies (mostly in in the extractive sector) have investigated the nature and impact of CSR programs in relation to corporate size and profitability. The Global South — the developing regions of Africa, Asia, and Latin America — is richly endowed with mineral assets that are essential for modern production and consumption worldwide (Besada, Lisk et.al, 2015). This article seeks to expand the knowledge of the relationship between a number of financial and non-financial determinants of social responsibility based on a cross sectional sample of resilient corporate sectors. This article attempts to offer new insights into the current debate about Zimbabwean CSR efficacy and is grounded in appreciating impacts of poverty, inequality, unemployment and the poor living conditions of employees and communities where local and multinational corporations have reneged on their development agendas

Background and Historical Overview of Zimbabwe

Analysis of post-independence structural changes shows the economy's three distinct policy swings – from interventionism (1980-1990) to structural adjustment (1991-1995) to reactive management (1997 to 2008) (Chimhou, 2010). Corporations have also transformed and been affected in different ways. Historically, the major highlights fall into three periods: the Pre-Economic Structural Adjustment Programme (ESAP) era (1980-1989), the ESAP era (1990-1999), and the New Millennium era (post ESAP) (2000-present).

Schematically, the Pre-ESAP phase was characterized by relative economic stability, growth, and sustained Foreign Direct Investment (FDI). The ESAP era marked the beginnings of an economic downturn, characterized by company closures, mass retrenchments, drought (1991-92), and labour unrest. Finally, the New Millennium/Post-ESAP era was marked by both economic and

political crisis. This is when the contested Fast Track Land Reform (FTLRP) commenced (Scoones et al. 2010:8). Political turbulence escalated and the failure of the agricultural and manufacturing sector created artificial food shortages. Relief and development strategies were led by non-governmental organizations (NGOs). The Zimbabwe Democracy and Economic Recovery Act (ZIDERA) restrictive measures imposed by the Western countries, caused company closures and downsizing. In response to economic sanctions by the European Union (EU) and United States of America (USA), the government of Zimbabwe adopted the Look East Policy that led Asian countries, particularly China, to invest in the country. In 2005, the GoZ implemented Operation *Murambatsvina* ('clean up the filth'), which caused widespread urban displacement and led to a humanitarian crisis. During this period, many skilled and unskilled Zimbabweans migrated to countries like the United Kingdom (UK), the USA, Australia, Canada, South Africa, Namibia, and Botswana.

The Post-ESAP era was also marked by hyperinflation and economic stagnation, which accelerated in 2006. These challenges were partially solved by the ephemeral Government of National Unity (GNU) between the Zimbabwe African National Union Patriotic Front (ZANU PF) and the two formations of the Movement for Democratic Change (MDC) between 2009 and 2013. The GNU introduced dollarization and the use of multiple currency regimes, which resulted in short-lived economic stability. The 2013 elections marked the end of the GNU, and the economy once again began to deteriorate. Post-2013, the ZANU PF-led government adopted the Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIM-ASSET) as its macro-economic blueprint to achieve sustainable development and social equity anchored on indigenization, empowerment, and job creation. The objectives of the ZIM-ASSET are aligned with the Millennium Development Goals (MDGs) and fit very well into the Sustainable Development Goals. This program addresses underlying structural rigidities and bottlenecks that inhibit the rehabilitation of infrastructure, energy, and clean water supply. Unfortunately, ZIM-ASSET suffered misfeasance, which led to an FDI freeze, the closure of many companies, mass retrenchments, capital flight, corruption associated with the mismanagement of allocated empowerment funds, and intraparty dissent. In his 2016 Midterm Fiscal Policy Statement, Finance Minister Honorable Patrick Chinamasa identified low production levels, the attendant trade gap, insufficient FDIs, and lack of access to international finance as main causes of the economic malaise.

Table 1: Economy, Employment and Poverty Challenges and Opportunities

Challenges	Opportunities
Liquidity constraints.	Provisions in the Constitution.
Low average incomes, savings and investment	ZIM-ASSET operationalization.
High and increasing unemployment and poverty	Price stability in the multicurrency system
Industrial infrastructure decay	Prospects from ZIM-ASSET
Declining average industrial capacity utilisation	Enabling migration policy and governance environment
Company closures and scaling down of operations.	Human resource capital and the youth demographic dividend
Shrinking formal sector and tax revenue base	Harnessing the informal and rural economy
Power and water challenges.	Growth in ICT use and application
Large government external debt burden	Re-engagement with key players in the international community
Weak corporate governance in public and private sector.	Infrastructure rehabilitation and upgrading
Limited engagement with international community.	Green economy.

Source: United Nations Country Team (UNCT), 2014

Zimbabwe lacks an economy that provides social solidarity throughout the country. Blame has been directed towards Chinese investors, who have been accused of ‘reaping without sowing’ and causing ‘wanton environmental destruction’ in their pursuit of the ‘primitive accumulation of capital’. The notion of irresponsible capitalism by foreign investors in Africa, and Zimbabwe in particular, has widely been reported. Specifically, in Chiadzwa, Chinese companies have failed to protect and improve the lives of local communities and environmental protection, instead adopting ‘militarized capitalism’ (Chinguno et al. 2015: 1). This problem is not limited to Zimbabwe; it is a phenomenon experienced by the rest of Africa and the world at large. Global businesses have been struggling with new ethical requirements. Corporations are expected to “to meet the needs of the present generation without compromising the ability of the next generations to meet their own needs” (D’Amato et al. 2009). This is basically the principle of sustainability. In this modern world, where human rights are emphasized, it is no longer acceptable for a corporation to experience economic prosperity in isolation from those impacted by its actions. To help remedy this problem, this article analyses CSR determinants and selected empirical studies of communities in Zimbabwe, drawing insights from the extractive, retailing, telecommunications, and banking industries since 2000.

Given this background, it is imperative and also interesting to examine the determinants, experiences, and practices of CSR in an unstable and unpredictable economy like that of Zimbabwe. In order to have a clear and general understanding of the field, the article focuses on the four resilient key sectors of the Zimbabwean economy: extraction, retail, telecommunications, and banking. It will further examine at least two communities in which each sector/company is implementing CSR programs. With traceable CSR strategies, these companies should have been successful despite the floundering economy. This article seeks to provide a theoretical and practical

foundation for the relationship between business and society with the following objectives:

- i. To give a historical analysis (critical trends, issues and opportunities) of CSR in Zimbabwe
- ii. To investigate the push and pull factors that influence CSR in Zimbabwe
- iii. To assess the experiences of communities with CSR programs
- iv. To recommend CSR best practices that would enable corporates to conduct ethical business in the communities in which they operate.

Firstly, CSR literature development has been well advanced in Global North (Weber 2001: 251). A number of studies in Western and Eastern countries over the past decades have investigated CSR disclosures; specifically, the nature, frequency, patterns, and trends in relation to corporate size and profitability. There is a clear absence of such scholarly studies in Zimbabwe. The bulk of the literature on CSR from the state, private media, and NGOs is largely relative and often biased. This article proposes a framework of CSR index with the objective of advancing professionalism in the CSR field.

CSR Implementation Dynamics

This section synthesizes relevant literature about CSR, with particular attention paid to the legislative and policy frameworks that regulate CSR in Zimbabwe. Theoretical approaches and the global, regional, and Zimbabwe CSR practices will be discussed alongside the social, cultural, economic, environmental, and political issues and impacts of CSR in Zimbabwe.

One challenge is the varying definitions of CSR; each company interprets it as they want it to be. The resonating element is that of business practice that promotes 'social good'. Companies 'do good' to meeting legislative requirements, for public relations/brand marketing, and to meet social expectations. CSR is defined by Smith (2011: 1) as a "business system that enables the production and distribution of wealth for the betterment of its stakeholders through the implementation and integration of ethical systems and sustainable management practices". The problem is that CSR is not grounded on solid universal principles. Though there remain contradictions and contestations, this paper will adopt the United Nations Industrial Development Organization (UNIDO, 2015) definition: CSR is "a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders,...a way through which a company achieves a balance of economic, environmental and social imperatives (Triple-Bottom-Line approach, TBL), while at the same time addressing the expectations of shareholders and stakeholders". This definition coalesces all dimensions of CSR. However, the problem with this definition is that it does not explicitly differentiate between CSR and charity, sponsorships, or philanthropy.

Business' key stakeholders include its employees, customers, investors, suppliers, public and governmental officials, activists, and communities (as highlighted in Fig. 1). Corporations are expected to develop sustainable strategies aimed at dealing with the intersection between societal needs, the natural environment, and corresponding business imperatives, or taking responsibility of what D'Amato et al. (2009) calls the 'three angles of the TBL'. Mutisi (2009:37) argues that CSR should not be viewed as philanthropy work or hand-outs, but rather as the implementation of projects that go beyond philanthropy, projects that change and develop communities.

Often words and phrases such as social investment, corporate citizenship, corporate conscience, and responsible business are used interchangeably with CSR. In Zimbabwe, CSR has in most cases been confused with charity. Charity is normally sporadic and lacks sustainability, whereas CSR is specifically created for sustainable development. It is important to note that the definitions of CSR are contextual and influenced by ideological and political aspirations.

Perspectives of CSR

This section will outline the historical, political, and legislative framework of CSR globally and in Zimbabwe. Matunhu (2012) sought to discover the nexus between CSR and poverty in Africa in relation to the giant TNCs on the continent. He observes that Corporate Social Responsibility/Investment is generally treated as a charitable activity by companies in Zimbabwe. Poverty eradication in Africa would result in a healthier population, reducing social welfare costs to governments and the donor community. This may compel governments to reduce taxes on businesses for giant TNCs operating in Africa. However, there is no comprehensive legislative and policy framework that guides CSR; instead they differ from company to company. There are some fragmented laws and policies that exist- for example, the Environmental Management Act 13 of 2002, the Indigenization and Economic Empowerment Act 14 of 2007, the Mines and Minerals Act Chapter 21: 5 of 1996, and various statutory instruments addressing specific areas of the environment.

The Environmental Management Act requires Environmental Impact Assessments for companies conducting development programs. It criminalizes companies that alter the environment without proper social and environmental mitigation measures. In the spirit of this legislation, the Environmental Impact Assessment Policy (EIAP) of 1994 was crafted. This policy emphasizes that all socio- and economic impacts of development should be properly accounted for. However, this policy is not mandatory. The United Nations Country Team (UNCT) notes that Zimbabwe has access to abundant and diversified natural resources. These consist of land, water, and mineral resources. Forests cover approximately 66% of the total land area but have been threatened due to socioeconomic and political factors. In 2010, total forested area in Zimbabwe was 15.6 million hectares with a reduction rate of 327,000 hectares per year (United Nations Country Team (UNCT), 2014:55).

Zimbabwe's population continues to grapple with poverty, living at less than US\$1 per day despite the plethora of natural

resources. Poverty is increasing at an alarming rate in Africa and is mainly caused by regimes neglecting the welfare of their citizens (Chitereka, 2009). But there is no major analytical debate over land and agrarian reform in Zimbabwe. Foreign-owned businesses are not questioned about their non-local development promotion as they harness commodities, and simultaneously deny the country of the benefits. Companies have in the past invested in CSR programs, but they seem to be insignificant compared to the profits earned and externalized. This may have led to the Indigenization and Economic Empowerment Act No. 14 of 2007, which introduced Community Share Ownership Schemes/Trust (CSOT) to compel corporations to invest into the community from which natural resources are exploited. This economic indigenization legislation is aimed at empowering local Zimbabweans and enabling local communities and labour to benefit from natural resources through shareholding and management in various foreign owned companies. This legislation makes it mandatory for all foreign-owned companies worth US\$500,000 and above to reinvest their profits into the society. The confusion around these community trusts, however, raises the question of who is really benefitting from this scheme.

The primary role of the state has mainly been the development and enforcement of various legislation, as highlighted above. One of the major statutory instruments currently guiding CSR in Zimbabwe is the ISO 26000: 2010 which is administered by the Standard Association of Zimbabwe (SAZ). The government of Zimbabwe endorsed the 2009 initiative by the Institute of Directors, the SAZ, and the Zimbabwean Leadership Forum to establish a corporate governance code which focuses on the development and promotion of CSR as a guiding concept for business operations.

There have also been non-state initiatives, primarily through the private sector. Ncube provides a chronological breakdown: in 1992, private companies established the Environmental Forum of Zimbabwe to express their concern for the environment. Four years later, the country's telecommunications giant, Econet, formed the Capernaum Trust as its CSR branch. This was followed by the creation of the Zimbabwe Business Council on HIV/AIDS in 2003 with the intention of promoting workplace wellness programs. In 2004, the country's business umbrella body, the Confederation of Zimbabwe Industries (CZI), developed a Business Ethics Charter that guided its members to ethical business practices. In 2010, the US Embassy in Zimbabwe and the American Business Association of Zimbabwe launched the "Investing in Zimbabwe's Future" CSR Awards. It has been difficult for other sectors of the economy to implement CSR programs. The extractive industries, though minimal, have been on the forefront of initiating CSR initiatives, probably due to stronger legislation and the Extractive Industries Transparency Initiative (EITI), which has great potential to drive social investment.

Internationally, the United Nations developed the Guiding Principles for Business and Human Rights. This framework encourages corporates to adopt rights-based CSR programs. In addition, the Monrovia Principles are applied, which include entrepreneurship,

growth partnership, and inclusive ownership. CSR in developed countries is well-regulated and the implementation of CSR projects practically adds value to communities. According to Kerr (2009: 31), Canada has played a major role in shaping the development and implementation of CSR. In February 2009, the Canadian Institute of Mining Metallurgy and Petroleum officially launched the CSR Centre for Excellency. They also enacted a private member's Bill C-300 to regulate corporate accountability in mining, oil and gas corporations. In Europe, Cynthia and Ruth (2006: 34) write that the UK takes a leading role in encouraging CSR with high rates of stakeholder engagement and social reporting. According to Moon (2004: 23), the UK government promulgated regulations guiding accountability, political stability, social and environmental information, and issues of poverty. Singhapakdi and Karande (2001: 135) note that countries like Belgium, France, Germany, and the Netherlands followed the UK in prioritizing value-addition CSR. In the USA, Aguilera & Jackson (2003: 451) argue that the government promotes CSR projects which address specific issues based on the socio-economic circumstances where the company is operating. The companies should be accountable to ensure that they add value to the communities impacted by their operations.

It is, however, important to note that even in Global North, CSR is still mostly a voluntary activity, though when it occurs, the execution is better than Africa's. This is supported by Jenkins (2004: 25), who argues that in developing countries, where environmental regulatory controls and associated governance processes may be weak, there is greater concern about CSR implementation.

In Africa, South Africa is taking a leading role in promoting CSR. Madeleine (2013: 41) states that the South African government has played a crucial role in defining and motivating CSR initiatives. In Zambia, Konkola Copper Mines Corporation abandoned a mine and was not held accountable because CSR is largely considered voluntary (Scoones, 1998: 13). Hilson & Potter (2005:19) state that in Ghana, there have been high environmental and social costs of the Gold mines. The mining sector has adversely affected community livelihoods and human rights. In some cases, entire villages in Ghana have been relocated with paltry compensation.

In Zimbabwe, it is not clearly understood why companies engage in CSR. Moreover, literature review shows that there are no standardized CSR strategies. Mpofu (2012) writes that there is a lack of well-substantiated study on CSR in Zimbabwe. Because it is considered voluntary (ISO 26000: 2010, SAZ) and charitable, CSR initiatives and data are not formally reported and recorded centrally. Despite the fact that CSR is central to sustainable development, data has not been captured even in the MDG Status Reports. Zimbabwe does not have a CSR index. This means there are no measurable indicators of CSR, which makes it difficult to measure the short-term contribution of such initiatives to sustainable development. The first organization that deals with this was only launched in 2011, the Regional Centre for CSR, which is modeled on South Africa's Bench Marks Foundation.

Conceptual Framework

The concept of corporate social responsibility is based on the argument that business is sanctioned and promoted by society. Society legitimates business by allowing it to function and use scarce resources (Maphosa 1997). CSR is a social practice which tends to be embedded in a particular economic, social cultural, historical, and institutional structure (Midttun et al., 2006). Different theories attempt to explain CSR. McWilliams and Siegel's (2001: 8) write about Management Theory, which is where a firm goes beyond compliance and engages in actions that appear to further some social good. The Stakeholder Theory explains that corporations must satisfy a variety of constituents—e.g. workers, customers, suppliers, and local community organizations—who can influence the firm's outcomes. Additionally, the Stewardship Theory by Donaldson (1991: 12) is based on the idea that there is a moral imperative for corporations to do the right thing without financial consideration.

Finally, the Liberal Theory regards businesses as part of the solution to African poverty. This is rooted in the assumption that business and society have a symbiotic relationship (Matunhu 2012). For Matunhu, this theory treats businesses as global community citizens with the moral responsibility of championing poverty reduction through corporate transparency and accountability, restructuring the education system, and rectifying the financial exclusion of African states.

Barriers to Government of Zimbabwe CSR Enforcement

Maphosa (1997) contends that the primacy of profit maximization remains unchallenged in Zimbabwe and that it will remain so for the foreseeable future. Only a few organizations will make social information an important element of their information systems. Zimbabwe's Companies Act, the dominant legal framework binding legal operations of companies, has not sufficiently enforced social reporting. However, the Indigenization & Economic Empowerment Act is meant for organizations that are worth \$500,000 or more. The law requires these organizations to give back to the communities. The General Notice 459 of 2011 stipulates that organizations in the manufacturing sector must comply with indigenization regulation of Zimbabwe. Other CSR corporate governance codes have not been officially enunciated.

Zimbabwean CSR Experiences—Some Critical Perspectives

This section explores selected topical incidents or controversies contributing to public concern about irresponsible and unethical business in Zimbabwe. It will also look at some factors that have influenced corporations to carry out CSR programs. Mining has been

instrumental in the development of communities in rural areas. The many towns that have developed around mining in Zimbabwe, for instance, include Hwange, Kadoma, Shurugwi, Zvishavane, Bindura, and Bulawayo. These are clear examples of what is achievable if mines are encouraged and incentivized to take more corporate responsibility. The development of these centers took place thanks to responsible entities willing to cooperate with communities (Dziro 2014).

Chiadzwa

The Eastern Zimbabwe Chiadzwa diamond mine is one of the most contested issues in Zimbabwe's mineral exploitation history. Chiadzwa diamonds have been central to Zimbabwe's economy. From March 2006, Chiadzwa – located some 80 kilometres from the eastern town of Mutare – literally and metaphorically became an area of conflict following the 'discovery' of diamonds. Numerous entities sought to exploit the mines, systematically displacing the interests and hegemony of the original, mostly apostolic, inhabitants of Marange (Nyamunda and Mukwambo 2012). When driving to Chiadzwa, down the winding and tarred 80km stretch from Mutare up to Hotsprings, which for all intents and purposes should be a memorable drive for any first-timer to the area, one will be excused for conjuring images of Kimberley, South Africa's diamond nerve centre (Mazara and Mushaveto 2016). Both the GoZ and the private companies involved in the extraction of diamonds were blamed for disregarding human rights in the diamond fields. The first contentious issue was the crack police sting operation, Operation *Hakudzokwi* (*no return*) and *Chikorokoza Chapera* (*the end of artisanal mining*), which was aimed at driving away artisanal miners in the area. Much violence and death was recorded, resulting in another controversy surrounding the meeting of the Kimberly Certification Process. Formal commercial mining in Chiadzwa began without the required Environmental and Social Impact Assessments, which led to environmental degradation and human displacement. These displacements made obvious the lack of resettlement action plans and social management plans. The resentment amongst community members meant that the companies were operating without a "social licence".

Kamhungira, Mugove and Kachembere (2014: 1) state that no significant CSR projects were being implemented in Chiadzwa. They highlighted that Mbada Diamonds has surpassed US\$ 1 billion in profits since they began operations in 2010. The company has only invested a little over US\$1 million into the surrounding communities. It is not out of the ordinary to see young males, some in their early teens, breaking barricades and sprinting with rubble-filled 50kg sacks on their back in the searing weather. They then sift through this ore in search of the famed "ngoda". After risking life and limb, many of these panners squander their illegally acquired gains on alcohol and sex (Mazara and Mushavetu 2016).

The Centre for Natural Resources Governance (CNRG, 2013: 1) reported that Mbada Diamonds only managed to complete 100 housing units for relocation of families affected by their operations. The CNRG (2013:1) further states that Mbada Diamonds refused to compensate families forcibly relocated to Arda Transau, a government-owned farm. It has not fulfilled its promise of drilling boreholes for all

relocated families. Gumbo (2014: 5) and Mugabe and Gumbo (2014: 3) write that Chiadzwa villagers are still languishing in poverty in front of billions of dollars of diamond mines. According to Katsaura (2010: 21), infrastructure is nonexistent in Chiadzwa; roads are still in gravel (Gumbo, 2014: 5) and schools are dilapidated (Katsaura, 2010). The schools built by Mbada have few classrooms and lack adequate furniture.

The firms Marange Resources, Mbada Diamonds, Diamond Mining Company, and Anjin and Jinan, pledged initial seed money of \$1.5 million when the Zimuto/Marange Community Share Ownership Trust (CSOT) was launched in mid-2012 (The Source Newspaper, 2014). The companies were supposed to contribute \$50 million, at \$10 million each, to the trust. The Zimuto/Marange CSOT is one of the 16 community trusts launched countrywide as part of the government's contentious empowerment programme. Its goal was to have foreign-owned firms give 51 percent of their shares to locals. Chief Gilbert Marange, who chairs the Zimuto/Marange trust, told the parliamentary Portfolio Committee on Indigenization that only Mbada and Marange had so far deposited a combined \$400 000 into the trust's account by 2014:

When the trust was launched, we were given a cheque of \$1.5 million but the money never came,...It looks like the companies mining diamonds in Marange lied to the President (Marange, 2014).

Out of the \$417,598 (which includes interest earned from the deposit), the six-member leadership of the Zimunya/Marange CSOT has spent over \$45,000, \$31,000 of which has gone towards transport, allowances, and board fees (The Source Newspaper 2014). The Portfolio Committee urged the trust to use the funds for their intended purpose. According to Mazarire and Mushawetu (2016), Headman Mukwada, who has oversight over 18 villages, has no kind words for the diamond companies that have been involved in Chiadzwa. Companies that were ordered to cease operations by the Government in March of 2016:

When these companies came, they promised us a lot of things. They said we will have tarred roads within two years, have electricity, schools and clinics – but all that has just been talk. I think you have seen for yourself the road that you used from Hotsprings. If you go the other way, it is even worse. And yet diamonds were leaving this area almost every week – the plane would leave at least twice a week. Where is the money? Where is the development that they promised us...The move by the Government, to consolidate the companies into one company might be welcome. Maybe if it is the Government that is to be involved, they might have a different take to our welfare. As for these private companies, we have already seen that

they didn't live up to their promise. Hopefully the Government will not let us down, as did the diamond companies (Mukwada, 2016).

This is further evidence that CSR in Zimbabwe lags behind other regional countries. Though there are CSR initiatives by some of the corporate sector, Zimbabwe's lack of CSR legislation does not encourage businesses to participate.

Mutoko granite mining

Granite-mining communities are accusing companies of exploiting natural resources without giving back (Mazararire and Mushaweto 2016). Villagers allege that, as the mining companies reap huge profits from granite, local communities remain poor. One villager, John Kowo of the Kowo village in Mutoko, noted:

Granite miners have adopted a hit-and-run approach. They are only concerned with making profits and never bother to care about the environment and the welfare of the communities in which they operate (Kowo, 2015).

Black granite, which is used to make in construction and to make tiles and tombstone, is mostly mined in Murehwa, Mutoko, and Mount Darwin. Local granite is exported to South America, Europe, and the United States, among other markets. It has been mined in some parts of the Mutoko district since 1972, and more than 10 companies are mining black granite in this area alone. According to the Zimbabwe Mining Development Corporation, the Mutoko district produces 75 percent of the country's total black granite output. It is also mined in Uzumba and Mt Darwin. On the international market, black granite, classified by the Zimbabwe government as a mineral, can cost up to US\$800 per square metre.

Villagers in Mutoko are accusing the mining companies of ruining the environment, causing noise pollution, and destroying houses with blasting that causes cracks. Despite that Mutoko is one of the country's biggest producers of black granite, the roads linking the quarries to the main Harare – Nyamapanda highway are in a bad state.

Headman Mbudzi (Mr Benhura Katsande), of the Kowo village, is unhappy with the conduct of both the local political leadership and the mining companies. According to Mbudzi,

We are aware of the fact that a number of Community Ownership Schemes were set up in such mining communities as Chiadzwa and Ngezi. We do not have such a thing here and the community has not benefited from the exploitation of the stone. We are being taken for granted,"...We have had several meetings with representatives of the mining companies but nothing has materialised. There has been talk of a Constituency Ownership Trust but again nothing came out of the several meetings that we had (Mbudzi, 2015).

Most rivers in Mutoko are heavily silted and there has been serious land degradation due to the industry. People and cattle have drowned in open pits left by the mining companies. The local leadership alleges that since 2008, more than six people have drowned in unprotected pits. Mbudzi also said:

The companies have very few permanent workers and those that are injured in blasting accidents are not compensated. We have had instances in which the family of a worker who was killed in a blasting accident was only given US\$100. This is exploitation at its worst (Mbudzi, 2015).

On average, mining companies produce more than 120,000 metric tons of black granite worth more than US\$12 million. On the local market, a tombstone costs over US\$400. Prices, however, depend on quality and size.

As a community, we are calling upon the government to issue a directive that will compel mining companies to release some of the claims that they are holding on to. The community, in partnership with partners, is capable of running a mining venture. We cannot be beggars forever," a clearly agitated Headman Mbudzi said.

Pathways for sustainable CSR implementation

Social re-engineering

CSR is embedded in the social dimensions of economic development that are expressed in a variety of interventions, which range from household-based microenterprises to community-based livelihood projects. These can also include national programs that act as economic redistributive justice. Zimbabwe faces a real and significant crisis of social development, whose roots can be traced to the process of decolonization, the economic liberalization programme, and governmental economic mismanagement (Murisa 2014). It is critical that grassroots communities participate in CSR initiatives through incrementally cascading programs using bottom up approaches. As Maphosa (1997) observes, the government's role in economic and social issues is curtailed with economic turbulence. Society expects the private sector to increase its sensitivity and responsiveness to social needs. Mounting public criticism of business, however, is indicative of society's disillusionment about the willingness of the private sector to live up to these expectations. It is essential to create autonomous and independent monitoring agencies within resource-rich states with the legal authority to identify undervaluation of mineral concessions and track extractive resource revenue (Besada et al 2015). The blue chip businesses that remain afloat in Zimbabwe decrease CSR programs as economic contraction continues. This is further evidenced by Zimbabwe's Finance Minister's mid-term fiscal policy statement of September 2016. He proposed civil service trimming, which he says stands at 298,000 currently, to 273,000 by the end of 2017- further

worsening the current unstable employment rates (Financial Gazette newspaper 2016).

Additionally, Nnazodie (2016) suggests that African public institutions grapple with challenges relating to shortages of qualified personnel, inability to formulate and implement policies, unmotivated staff, and the slow diffusion of technology in order to improve productivity and competitiveness. These problems result in inefficient business procedures, weak intergovernmental relations, policy inconsistencies, weak interaction between public institutions and the private sector (which has partly stalled policy implementation), and high levels of bureaucracy. For CSR effectiveness, this paralysis needs to be deconstructed and fixed.

CSR as an industrial growth catalyst

Sachikonye (2005) suggests that a structural evolution of the economy requires an increasing percentage of employment and contribution towards the gross domestic product (GDP), which should come from industry rather than agriculture. Only as the engine of industrial growth gathers momentum will people migrate from the countryside to urban centres, reducing the pressure on natural resources and freeing land for farmers who wish to expand their operations and income. This requires robust community action for CSR initiative implementation from CSR duty bears. As Dziro (2014) suggests, a community engages in a process aimed at improving the social, economic, and environmental situation of the community's development. It is both the means and the end of development. It is through this action that the community becomes stronger, not just economically and socially but as a functioning society.

Expanded CSR buy in from Zimbabwean business entities

Despite economic challenges, some blue chip companies (the extractive sector included) have continued to publicize impressive unaudited results. It should be noted that CSR is a business process beyond a company's legal obligations. This is a commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life in ways that are good for business and for community development (Murisa 2010).

CSR and social workers

Zimbabwean social workers with vibrant frontline advocacy skills provide an opportunity for social work fraternity groups such as the National Social Workers Association of Zimbabwe. These groupings can enforce CSR by forming alliances with other organizations, such as the Zimbabwe Environmental Lawyers Association or Institute of Directors Zimbabwe, to form broad-base CSR enforcement working groups. Pragmatist social workers, policy makers, and researchers who are realistic about their profession's place in the developmental scope need to unleash their power, and advocacy and lobbying have propelled social work to a pivotal niche in social and economic development (Kangethe 2014). One example of where social workers can play a role is in investigating if corporations are doing

environmentally sound business when resources are harnessed and extracted from grassroots communities, such as in Chiadzwa and Mutoko. Social workers have the oversight necessary to ensure that duty bearers conform to government-initiated community development and Community Share Ownership Trusts. Community Share Ownership Trusts were established in terms of Section 14B of the Economic Empowerment (General) Regulations of 2010, which provides that local communities whose natural resources are being exploited by any "qualifying business" must be guaranteed shareholding in such business.

Non-state actors

Different lobby groups have been active in advocacy programs for livelihood transformation in communities like Chiadzwa and Manicaland in Zimbabwe. One example is the Centre for Research and Development. Knowledge management through commissioned empirical studies examines the challenges faced by NGOs and other groups when engaging with CSR in developing countries. Research is also needed to examine how NGOs develop their conceptions of the social needs and expectations of the individuals they purport to represent (Lauwo and Otusanya (sa)). Social justice and human rights are mutually reinforcing concepts, since one cannot enjoy human rights in an unjust society (Masuka, 2014, p. 82).

Recommendations

The role of the legislature

The Mines and Energy Parliamentary Portfolio Committee of Parliament of Zimbabwe should push for legislation enforcing taxes for mining entities, which should be used exclusively as a revolving fund for rehabilitating the environment. The Zimbabwe Environmental Law Association has exhorted the government of Zimbabwe to develop comprehensive policies which govern the mining industry and compel companies to give back to the mining communities. (www.miningwatch.com).

Role of public institutions

Public institutions in Zimbabwe like the Environmental Management Agency, the Zimbabwe Human Rights Commission, and the Office of the Ombudsman are the duty bearers for environmental management, social justice, and human rights. They can robustly craft policies and action plans. The implementation of these policies and plans should ensure the deconstruction of CSR implementation paralysis. These institutions are trusted by the Zimbabwean public to be duty bearers, guaranteeing citizens that social justice is embedded in every socio-economic domain. Corporates should connect to grassroots through these institutions and be held accountable for their CSR initiatives.

As UN Country Team(UNCT), (2014:51) notes

...Other challenges in environmental sustainability are mainly due to highly sectoral and compartmentalized understanding of development

issues, competing demands of economic and industrial development and resource conservation, pollution control and, capacity of Government departments to integrate environmental concerns in their plans and strategies which are severely constrained by poor management and a lack of information...

The joint work of public institutions to tackle CSR implementation and outcomes gaps in order to unlock value for enhanced social functioning is vital.

Sustainable Development Implications of Past, Current, and Future CSR Models

Mandina, Maravire, and Masere (2014) investigated Corporate Social Responsibility (CSR) effectiveness in enhancing a company's image using the Unki mine (UM), in Midlands Province, Zimbabwe as a case study. Their finding indicate that corporate philanthropy activities, a phenomenon which connects the business sector to the social sector, play a crucial role in fostering relations between a company and the community. From Mandina, Maravire, and Masere's 2014 study, 83% of respondents agreed that corporate philanthropy activities have fostered relations between UM and the communities of Chironde and Tongogara. It can be concluded, then, that businesses that take an active interest in a community's well-being can generate support, loyalty, and goodwill from the community.

Conclusion

This article has described the trajectory taken by, and the limitations of, CSR in Zimbabwe. CSR implementation is vital for enhancing the well-being of beneficiary communities if pursued objectively with transparency. The article also examined dominant CSR narratives in Zimbabwe which, although noble, have been contested due to implementation complexities.

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