As the world leaders and the elite met in Davos, Switzerland, from the 23rd - 26th January 2018 for the World Economic Forum, ordinary citizens who could not afford to be there managed to host local events in response to the Davos meetings. In Harare, Zimbabwe, ordinary citizens convened on the 24th of January 2018 at ZIMCODD Offices to push for their Agenda of Action Against Inequality which ran under the theme ‘End the Age of Greed’.

The meeting was organised by ZIMCODD in collaboration with Fight Inequality Alliance to bring together activists and organisations to come up with possible solutions to tackle inequality worldwide. This came after the realisation that inequality explosion (in both developing and developed countries) is one of the biggest crises which is threatening human development; hence the urgent need to address this structural anomaly.

According to an Official from OXFAM, Mrs. Fadzai Traquino, in 2017, 82% of wealth created worldwide was owned by 1% of the world population. Ironically, the wealth of this 1% is built through exploitation of low paid workers whose wages are below the poverty datum line in the countries they are operating in, especially China, where there are gross violations of labour rights.

The inequitable distribution of resources has compelled organisations such as Fight Inequality to fight the age of greed in a mission to have an equal society where workers enjoy decent working conditions and wages and a society where the richest companies pay their fair share of taxes instead of evading it.

According to a research titled Reward Work, Not Wealth: To end the inequality crisis, we must build an economy for ordinary work, OXFAM notes that, there is lack of political will by some Governments to close the inequality gap. The research quotes the words of the Nigerian President Buhari speech during the 2017 UN General Assembly where he said, “We must be mindful, and focus on the widening inequalities within societies and the gap between the rich and poor nations. These inequalities and gaps are part of the underlying root causes of poverty and frustration and anger leading to spiralling inequality”. What is perhaps disappointing to note is that in Nigeria, the proceeds of recent economic growth have gone exclusively to the top 10% of the rich, while poverty and inequality have increased. 10 million children are not in school and one in 10 women die in child birth.

One participant who attended the public meeting bemoaned the Government’s venture into Public Private Partnerships especially on healthcare provision which has made access to affordable health care a preserve of the few. Mrs Chikwanha an ardent HIV/AIDS activist highlighted that the limited stock of medicine (e.g. ARV) and other essentials such as syringes, limitation of viral load machines for people living with and affected by HIV was indeed a cause of concern.

Prince Mupindu who was representing the youth cluster expressed the grave concern on the increasing unemployment rate in the
Poverty Reduction Forum Trust's Director Mrs Judith Kaulem noted that inequality is a global problem that needs global solutions while highlighting that the Sustainable Development Goals (SDGs) are aimed at addressing global inequalities with SDGs four and ten emphasizing on the need for member states to ensure that every human being does not live in poverty and is not deprived of basic needs. Kaulem also noted that governments have a responsibility of reducing inequalities through formulating and implementing deliberate policies that protect all marginalized groups.

Participants went on to outline a society they envision where they noted that there has to be fair taxation and eradication of tax havens. They also called upon Government to subsidise sectors such as health, education and other sectors delivering essential social services.

Each year in January, global political leaders and business elites meet in Davos at the World Economic Forum, to look for alternatives in overcoming economic challenges. However, the ordinary citizens are not represented there, thus a new movement called the Fight Inequalities alliance was formed to tell the lived experience of the poor as a way of trying to redress the current socio-economic inequalities around the world.

CRITICAL AND THEOLOGICAL EXPRESSIONS ON CURBING ILLICIT FINANCIAL FLOWS (IFFS)

By John Maketo

I write this reflection because the Church is invited by the Bible to be the light of the world and the salt of the earth and the light of the world. This is not an easy task because it calls the Church to be a highly educated institution, a listening, articulate and conversant with the world. The reality, however, shows that literature on how one may link religion, citizenship and development is scarce, and this situation punishes the Church in its dealing with many burning social and economic issues.

Nevertheless, when we read through some church's writings and teachings, we find that care for God's creation and natural resource endowment is one of the issues that focus on the economic, political and social concerns of humanity including illicit resource outflows with an emphasis on recovery of stolen assets. (Galatians 6:9-10)

The Church and other faith based organizations has a diaconal mandate to be the legitimate prophetic voice of the people especially the poor and marginalised, and to speak on socio-economic justice issues, as per Holy Scriptures in the Bible.

Africa loses more than fifty billion US dollars annually as a result of commercial tax evasion, trade and abusive transfer pricing. The Agenda 2063, the Africa We Want Aspirations, gives us hope to continue dreaming that Africa can be:

- Prosperous based on inclusive growth and sustainable development
- An integrated, politically united and based on the ideals of Pan Africanism and the vision of Africa's Renaissance;
- A Continent that enjoys good governance, democracy, respect for human rights, justice and the rule of law;
- A peaceful and secure Continent;
- A Continent with a strong cultural identity, common heritage, values and ethics;
- A Continent where development is people-driven, unleashing the potential of its women and youth;
- A strong, united and influential global player.

These aspirations will not be achieved if our governments sideline the church and if the church distances itself from natural resource governance and stewardship. Despite being prone to illicit financial flows, the Africa's mineral sector is the key source of revenue that can effectively catalyse sustainable development of our continent. However, it has served and continues to undermine the continent's aspirations for peaceful and inclusive societies based on the prudent and sustainable use of mineral resources. The Africa Mining Vision, adopted by the Africa Union in 2009, aims at ensuring transparent, equitable and optimal exploration of African mineral resources to underpin broad-based sustainable growth and socio-economic development of our continent.

The church must not remain ignorant or adopt an indifferent approach with regards to critical information on how illicit Financial Flows (IFFs) are directly affecting the provision of public services such as schools, clinics, affordable housing, sanitation, security, water and social protection to people they lead and shepherd. The Africa Mining Vision becomes a stagnation where the applied understanding of being a good shepherd is the role and responsibility of a good leader, where the position of power is used not for self-benefit, but to service the people as stewards with good judgement.

The Church and other faith based organizations, also have a moral obligation of encouraging African people to believe, the Church has the moral obligation of providing teachings, training and direction to the government and to those governed (Mal 28:18-20). They must know or have information on laws determined by the government concerning the payment of taxes from those who explore natural resources at country level, so that they can influence and call for accountability on the prudent and sustainable use of these resources, as is the Lord's, and all its fullness, the world and those who dwell therein” (Ps 24:1).

The earth is created, sustained and redeemed by our God. We cannot claim to love our God while abusing what belongs to Him by right of creation, redemp tion and inherence.

It is important that as people of faith, we remind ourselves that God is the creator and sustainer of the universe; this is a kind reminder of our role and responsibility as people of faith. We must be aware that God bestowed the stewardship role of His creation to humankind, and as stewards of His creation, we are called upon to exercise our stewardship around issues of tax justice and social protection. Church leaders must be reminded that all the injustices in the world are a result of sin (structural sins), therefore we are called to denounce systems which perpetuate injustices. It is our mandate to speak against injustices and immoral issues (Prov 31: 8-9)

As Church leaders we have an important role and responsibility to stop excluding ourselves in the reminder of discussions on governance of natural resources and illicit resource outflows; Therefore;

- We must actively participate in the tax justice initiatives at national, regional and global levels. We must challenge ourselves, as faith community, to speak against any form of injustice and corruption being perpetrated through illicit resource flows;
- We must open our churches’ spaces and platforms to partner with the tax justice movements to debate and loudly speak against illicit financial flows, abuse of power and all forms of injustice in Africa.
- We must use faith community platforms to promote teaching about moral uplift living, just systems, love and care of fellow human beings and advocate for equal distribution of resources, transparency and accountability;
- We must exercise our moral authority to demand, not to beg for justice, to demand the right answer, to do the right thing and to demand equality for all;
- We must demand an end to corruption; and, finally,
- I would like to conclude this reflection by quoting Dr. Agnes Aboum of the Anglican Church in Kenya:

“The Church is the only solid organizational structure outside government since the colonial era. Therefore, Church leaders must reclaim their place as a sanctuary of unity not just for churches but also for civic society and other instruments of governance”(2005:79).

And the Holy Bible exhorts us: “Fellow, let us not grow weary while doing well, for in due season we shall reap if we do not lose heart.” (Galatians 6:9)

May God continue to bless Zimbabwe and its people!
ANJIN RETURN?

An Acid Test For The New Dispensation

By Mukasiri Sibanda

In the rear-view mirror of Zimbabwe's political and socio-economic narrative, Mugabe image looms large. But is the windsheild clear enough for accelerated progress? One important clue which can help to unravel this puzzle relates to how the new government is managing the country's mineral wealth- platinum, diamonds, lithium and gold among others.

Of all minerals, developments in the diamond sector warrants a close examination. This is hardly surprising though. Diamonds, because of their characteristics, items of high value which are easy to carry makes the stones attractive to criminals. Money laundering risk exposure in the trade of diamonds is well articulated by the 2013 Financial Action Task Force (FATF) report.

Early this year, the blog I wrote on mineral revenue transparency reforms: priorities for the new government made an interesting analogy centred on 2017 “Operation Restore Legacy” and 2008 “Operation Hakudzokwii” (no return to artisanal mining) in Marange. In both instances, the army moved in to restore order. In the end, the army gained significant stake in diamond mining companies operating in Marange, Anjin diamonds. The remaining stake was owned by Anhui Foreign Economic Construction (Group) Co Ltd (Afc) from China and 10% stake owned by Zimbabwe Mining Development Company (ZMDC).

Concerned, that woman who are naturally the family primary caregivers are bearing the brunt as a result of the army subiding the family by engaging in menial jobs. It is also appalling to note that the community has been exposed to the social health crisis whilst the negotiations to secure their deserved income are ongoing and protracted. Risks of diseases outbreak are increasing as the protesting women have no access to healthy water and sanitation services.

Acknowledging that, Hwange Colliery Company is a mainstay of the livelihoods of the majority of community members in the coal mining town but due to failure by the HCCL to pay its workers, most families have been hit the hardest by the economic crisis as they rely on the provision of income to secure their basic needs.

Mindful, that Hwange Colliery Company's role in the economy of Zimbabwe is of strategic importance, as coal is a vital source of energy in the country. Destabilisation in the company affects many livelihoods and downstream industries. ZIMCODD and its coalition partners are concerned by developments at the giant mining company. Since January 29, 2018, over 1000 women spouses of Hwange Colliery Company Limited (HCCL) workers have been staging a sit-in at HCCL premises protesting against the Company's failure to pay their husband salaries dating back to 2014. Protracted negotiations between HCCL and its employees has failed to yield any positive results with the company reneging on its pledge to stagger outstanding salaries accrued since 2014, therefore exposing the employees to unfair labour practices including wage theft which has serious social and economic repercussions. In the context of the deteriorating conditions the community is facing under-nutrition of children under the ages of five, food insecurity and health crisis whilst the negotiations to secure their deserved income are ongoing and protracted. Risks of diseases outbreak are increasing as the protesting women have no access to healthy water and sanitation services.

The Zimbabwean Coalition on Debt and Development (ZIMCODD) and its partners stand in solidarity with the picketing Hwange women who have endured the social and economic hardships for a just cause. We believe that social health crisis whilst the negotiations to secure their deserved income are ongoing and protracted. Risks of diseases outbreak are increasing as the protesting women have no access to healthy water and sanitation services.

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An Acid Test For The New Dispensation

DESIROUS TO UPHOLD WOMEN’S SOCIAL & ECONOMIC RIGHTS IN THE EXTRACTIVES SECTOR

Staff Reporter

ZIMCODD stands in solidarity with picketing women in Hwange. Our position being: Hwange Colliery Company Limited (HCCL) must honour the salary obligations of its employees

1 Current Board to resign for they have failed to resolve the impasse at HCCL
2 A commission of inquiry to look into the issue of Hwange employees
3 An immediate Forensic audit of the Hwange Colliery Company Limited.
4 Uphold the citizens’ rights as enshrined in the Constitution including the right to human dignity, freedom to demonstrate and petition, freedom of expression and the right to human dignity. No harassment of workers.
5 HCCL must honour its obligations towards the employees and relieve their spouses and dependants from undue suffering. Wage theft is an economic injustice.

40% stake in one of the biggest mining companies in Zimbabwe that was owned by Anhui Foreign Economic Construction (Group) Co Ltd (Afc) from China and 10% stake owned by Zimbabwe Mining Development Company (ZMDC).

Unarguably, the army’s involvement in Marange did not deliver any tangible development outcome, the $100 million defence college being the only exception. Likewise, the army gained key positions in the new government. Key office positions among others include the offices of the vice president, minister of agriculture and minister of foreign affairs and trade.

The history of Anjin’s diamond mining activities is quite murky. From the Auditor General’s 2011 report, it can be gleaned ZMDC was not committed to recover money from the proceeds of disposing 46% equity in Anjin to the army. In her 2016 report, the Auditor General failed to verify Anjin’s diamond earnings because the company could not avail its audited books. During the peak period diamond exports by value and volume, in 2012, the former Minister of Finance, Tendai Biti singled out Anjin for not paying taxes. Zimbabwe exported 4,957,648.98 carats, of which Anjin contributed 1,988,164.37 in 2012 according to Kimberly Process public statistics. In July 2017, the Independent Police Public Relations Commission (IPPRC) ruled that Chinese investors syphoned US$255 million from Anjin.

Arguing that the nation was not fairly benefiting from her rich Marange alluvial diamonds, easy pickings, not so difficult to mine, government decided to consolidate the diamond mines in 2015. A process made easy because the government had given mining rights for all the seven diamond mining companies that operated in Marange. Government then saw it fit not to renew the expired mining rights. All this was done under the former Minister of Mines, Chidakwa.

Some argued that the move was to constrain the Lacoste faction that was deemed to be profiting from Marange diamond mining through the army’s involvement. Lacoste was a ZANU PF faction allegedly led by Mnangagwa which was backed by the army and war veterans that was contesting with the G40 faction backed by the first lady, Grace Mugabe, to take over from Mugabe.

Chidhakwa, however, maintained that the main objective was to bring transparency and accountability in the management of Marange diamonds. That said, the objective was tainted by poor corporate governance as the army was not committed to recover money from the proceeds of disposing 46% equity in Anjin to the army. In her 2016 report, the Auditor General failed to verify Anjin’s diamond earnings because the company could not avail its audited books. During the peak period diamond exports by value and volume, in 2012, the former Minister of Finance, Tendai Biti singled out Anjin for not paying taxes. Zimbabwe exported 4,957,648.98 carats, of which Anjin contributed 1,988,164.37 in 2012 according to Kimberly Process public statistics. In July 2017, the Independent Police Public Relations Commission (IPPRC) ruled that Chinese investors syphoned US$255 million from Anjin.

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Our Resources, Our Future: Reviewing and Mapping Out The Extractives Sector Strategy

The meeting held under ZIMCODD’s natural resources governance thematic area was progressive and sustainable. ZIMCODD’s natural resources governance thematic area was mapping the sector for financing of potential to improve communities’ livelihoods. The meeting held in Harare facilitated dialogue with mining companies in mapping the sector for mobilisation of a progressive and sustainable extractive sector that is responsive to community and environmental interests.

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“Website is open for business” is the new Government's mantra and the extractive sector companies are not deriving meaningful benefits from the exploitation of natural resources in their areas. ZIMCODD envisages that, if well managed, the extractive sector has the potential to improve communities’ livelihoods, contribute to the national fiscal for financing developmental programmes that have an impact on the realisation of social and economic rights. Emerging issues in the extractive sector such as rampant abuse of human rights, lack of transparency on mining companies' criminalisation of livelihood such as artisanal mining among other issues must be interrogated.

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The top five companies that are all in the mining sector have a cumulative value at risk of US$173,474,153 in non-repatriated export proceeds. This clearly shows how the mining sector is highly susceptible to illicit financial flows as compared to other sectors.

Some of the submissions made during the deliberations include the following:

- There is need to provide equity for the present and future generations. Mining closure plans are optional in Zimbabwe therefore CSOs through their watchdog role must ensure that Mining closure plans are made compulsory.
- Mining companies must not continue leaving a legacy of environmental damage. The Government must employ strong mechanisms to safeguard the environment for the benefit of both the present and future generations.
- In Zimbabwe what we have is not Marikana but rather Maracana because Corporate Social Investment is linked with football at the expense of community development. (Maracana is a stadium in Brazil which underwent a renovation from 2010-2013 which resulted in it becoming the second largest in South America).
- There is need to ensure tax justice in the mining sector, no to tax holidays. If Zimbabwe loses opportunities to garner tax revenue the nation would have lost a great opportunity for development.
- The Government must ensure there is transparency on mining contracts; the open data policy must be embraced.
- The Government must urgently move towards formalising Artisanal Small Scale Miners (ASSM) considering that this sector supports the following the livelihoods of thousands of people.
- Exploration costs for ASSM are very high and there is need for Government to urgently review these.
- Ease of Doing Business should reflect elements of promoting ASSM.
- The extractives strategy developed during the meeting will be useful in the lobby for a turnaround from the extractivistic economic structure to a sustainable economic model.

Our Resources, Our Future: Reviewing and Mapping Out The Extractives Sector Strategy

From the disclosure by RBZ on the list of externalised funds and assets, it is notable that the mining sector continues to be a high-risk sector in terms of illicit financial flows. The top five companies in terms of value at risk from non-repatriation of export proceeds are in the mining sector and what is perhaps worrying is to note that our so-called, ‘all weather friends’, the Chinese top the list of externalisers.

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