

# Mugabe's Biggest Sin

Anglo-American and Chinese interests clash over Zimbabwe's strategic mineral wealth

By [F. William Engdahl](#)

Global Research, July 30, 2008  
30 July 2008

Region: [sub-Saharan Africa](#)

Theme: [Global Economy](#)

*Robert Mugabe, the President of Zimbabwe, presides over one of the world's richest minerals treasures, the Great Dyke region, which cuts a geological swath across the entire land from northeast to southwest. The real background to the pious concerns of the Bush Administration for human rights in Zimbabwe in the past several years is not Mugabe's possible election fraud or his expropriation of white settler farms. It is the fact that Mr. Mugabe has been quietly doing business, a lot of it, with the one country which has virtually unlimited need of strategic raw materials Zimbabwe can provide—China. Mugabe's Zimbabwe is, along with Sudan, on the central stage of the new war over control of strategic minerals of Africa between Washington and Beijing, with Moscow playing a supporting role in the drama. The stakes are huge.*

Zimbabwe's President, Robert Mugabe is a very very bad man. This we all know from reading the newspapers or hearing the pronouncements of George W. Bush, earlier Britain's Tony Blair and more recently Gordon Brown. In their eyes he has sinned badly. They charge that he is a dictator; that he has expropriated, often with violence, the farms of whites as part of land reform; they claim he rigged his re-election by vote fraud and violence; that he has ruined the economy of Zimbabwe.

Whether Robert Mugabe deserves to be in Washington's honor roll of villains alongside Fidel Castro, Saddam Hussein, Milosevic, Ahmadinejad, and Adolf Hitler, however, it is not the reason Washington and London have made Zimbabwe regime change priority number one for their Africa policy.

What his sin is seems to have more to do with his attempts to get out from under Anglo-American neo-colonial serfdom dependency and to pursue a national economic development independent of the International Monetary Fund and World Bank. His real sin seems to be the fact that he has turned to the one nation that offers his government credits and soft loans for economic development with no strings attached—The Peoples' Republic of China.

Western media accounts conveniently tend to omit the second major party to what is a huge tug of war between Anglo-American interests and China to get control of Zimbabwe's vast mineral wealth. We should keep in mind that for Washington there are always "good dictators" and "bad dictators." The difference is whether the given dictator serves US national interests or not. Mugabe clearly is in the latter category.

Cecil Rhodes' legacy

Zimbabwe is the name of what under the era of British Imperialism a century ago was named Rhodesia. The name Rhodesia came from the British imperial strategist and miner, Cecil Rhodes, founder of the Rhodes scholarships to Oxford, and author of a plan for a vast private African zone, to be chartered from the Queen of England, from Egypt to South Africa. Cecil Rhodes created the British South Africa Company, modeled on the East India Company, along with his partner, L. Starr Jameson of Jameson Raid notoriety, to exploit the mineral riches of Rhodesia. It controlled what was later named Northern Rhodesia (Zambia) and Southern Rhodesia-Nyasaland. The model was that the British Government would assume all risks to militarily defend Rhodes' looting while Rhodes and his London bankers, above all Lord Rothschild, who was a close associate, would assume all the gains of the business.

Rhodes, a seasoned geologist, knew well that there was a remarkable geological fault running from the mouth of the Nile at the Gulf of Suez south through Sudan, Uganda, Tanzania, down through today's Zimbabwe on to South Africa. Rhodes had already instigated several wars to gain control of the diamonds of Kimberly and the gold of Witwatersrand in South Africa. This geological phenomenon he, as well as enterprising German explorers, had discovered in the 1880's. They named it the Great Rift Valley.

Rhodesia, like South Africa after the bloody Boer wars, was settled by white settlers to secure future minerals gains for allied interests of the City of London, mainly those of the powerful Oppenheimer family and their gold and diamond enterprises in the region.

In 1962 when Africa was undergoing the wave of national liberation from colonial rule, a wave calculatedly supported by "non-colonial power" Washington, Rhodesia was one of the last bastions, along with former British colony South Africa, of white Apartheid rule. Whites in Rhodesia constituted only 1-2% of the total population so their methods of holding on to power were rather ruthless.

White supremacist Prime Minister, Ian Smith, declared Rhodesian independence from Britain in 1965 rather than agree to the slightest compromise on race or power sharing with black nationalists. Britain got UN trade sanctions imposed to force Smith to buckle under. Despite sanctions, there was considerable support from conservative business interests in London. Britain's Tiny Rowland, head of the Lonrho mining conglomerate, secured the bulk of his African profits from Rhodesian copper mining and related ventures under the Smith regime. The City of London knew very well what riches lay in Rhodesia. The question was how to secure enduring control. Smith's Rhodesian backers had little interest in giving it all to London.

Following a long and bloody struggle, in 1980 the leader of the black African Popular Front coalition, Robert Mugabe, overwhelmingly won election as the first Prime Minister of a new Zimbabwe. Twenty eight years later, the same Robert Mugabe is under escalating attack from the West, especially Zimbabwe's former colonial master, England, including strong economic sanctions designed to bring the country to the brink of collapse, to force him to open the economy to foreign (read Anglo-American and allied) investment. Ironically, the issue seems not all that different from the Ian Smith era: London and US control of the resources of the rich land, and Zimbabwean efforts to resist that control.

Within Zimbabwe, a portion of the rich Great Rift is called the Great Dyke, an intrusive geological treasure zone running over 530 kilometers from the northeast to the southwest of the country, in places up to 12 kilometers wide. A river runs along the fault and the region is volcanically active. Here also lie vast deposits of chromium, of copper, platinum and other metals.

The US State Department, as well as London, is aware of the vast minerals and other riches of Zimbabwe. It states in a recent report on Zimbabwe,

“Zimbabwe is endowed with rich mineral resources. Exports of gold, asbestos, chrome, coal, platinum, nickel, and copper could lead to an economic recovery one day...The country is richly endowed with coal-bed methane gas that has yet to be exploited.

With international attractions such as Victoria Falls, the Great Zimbabwe stone ruins, Lake Kariba, and extensive wildlife, tourism historically has been a significant segment of the economy and contributor of foreign exchange. The sector has contracted sharply since 1999, however, due to the country’s declining international image.(sic).

### Energy Resources

With considerable hydroelectric power potential and plentiful coal deposits for thermal power station, Zimbabwe is less dependent on oil as an energy source than most other comparably industrialized countries, but it still imports 40% of its electric power needs from surrounding countries—primarily Mozambique. Only about 15% of Zimbabwe’s total energy consumption is accounted for by oil, all of which is imported. Zimbabwe imports about 1.2 billion liters of oil per year. Zimbabwe also has substantial coal reserves that are utilized for power generation, and coal-bed methane deposits recently discovered in Matabeleland province are greater than any known natural gas field in Southern or Eastern Africa. In recent years, poor economic management and low foreign currency reserves have led to serious fuel shortages.”

In short, chrome, copper, gold, platinum, huge hydroelectric power potential and vast coal reserves are what is at stake for Washington and London in Zimbabwe. The country also has unverified reserves of uranium, something in big demand today for nuclear power generation.

It is clear of late that so long as the tenacious Mugabe is running things, not the Anglo-Americans, but rather the Chinese, are Zimbabwe’s preferred business partners. This seems to be Mugabe’s greatest sin. He’s not reading from the right program as George W. Bush’s friends see it. His real sin seems to be turning East not West for economic and investment help.

### The Chinese connection

During the Cold War China recognized and supported Robert Mugabe. In recent years as China’s search for secure raw materials escalated its foreign diplomacy, relations have become stronger. According to the Chinese media, China has invested more in Zimbabwe than any other nation.

Already back in July 2005 as Tony Blair turned the sanctions screws tighter on Zimbabwe, Mugabe flew to Beijing to meet with the top Chinese leadership, where he reportedly sought an emergency loan of US\$1 billion and asked increased Chinese involvement in the economy.

It began to bear fruit. In June 2006 state-owned Zimbabwean businesses signed a number of energy, mining and farming deals worth billions of dollars with Chinese companies. The largest was with China Machine-Building International Corporation, for a \$1,3bn contract to mine coal and build thermal-power generators in Zimbabwe, to reduce Zimbabwe's electricity shortage. The Chinese company had already built thermal-power stations in Nigeria and Sudan, and had been involved in mining projects in Gabon.

In 2007 the Chinese government donated farm machinery worth \$25 million to Zimbabwe, including 424 tractors and 50 trucks, as part of a \$58 million loan to the Zimbabwean government. The Mugabe administration had previously seized white-owned farms and gave them to blacks, damaging machinery in the process. In return for the equipment and the loan the Zimbabwean government will ship 30 million kilograms of tobacco to the People's Republic of China.

Other Zimbabwe-China agreements included a deal between the Zimbabwe Mining Development and China's Star Communications, forming a joint venture to mine chrome, with funding from the China Development Bank. Zimbabwe also agreed to import road-building, irrigation and farming equipment from the China National Construction and Agricultural Machinery Import and Export Corporation and China Poly Group. Zimbabwe also relies on China for imports of telecommunications equipment, military hardware and many other critical items it can no longer import from the west because of the British-led sanctions.

Relations have become so important that Zimbabwe's police have a dedicated "China desk" to protect Chinese interests in the country.

In April 2007 the chairman of China's top political advisory body, Jia Qinglin, head of the National Committee of the Chinese Peoples' Political Consultative Conference, flew to Harare to meet with Mugabe. It was a follow-up to the 2006 Beijing China-Africa Cooperation Summit where the Chinese government invited the heads of more than 40 African states to discuss relations. Africa has become a diplomatic and economic priority for China and its economy.

At that time, Beijing got an open invitation to help develop dormant mines in the country. The deputy speaker of Zimbabwe's parliament called for more Chinese investment in the country's mining sector, according to China's Xinhua news agency. Zimbabwe's mining laws were changed to allow the government to reallocate mining claims that were not being exploited.

Mining generates half of Zimbabwe's export revenue. It is the only sector in the country that still has foreign investors after the collapse of the main agricultural sector. Western companies with mining claims in Zimbabwe were not exploiting them. "We would appeal to the Chinese government to come in full force to exploit these minerals," Zimbabwean Deputy Parliamentary Speaker, Kumbirai Kangai said to the official Xinhua.

Kangai assured potential Chinese investors that they would not expose themselves to legal

action if they took over claims held by Western companies.

A few months after, in December 2007, Chinese company, Sinosteel Corporation, acquired 67 percent stake in Zimbabwe's leading ferrochrome producer and exporter Zimasco Holdings. Zimasco Holdings is the fifth largest high carbonated ferrochrome producer in the world. It used to produce 210,000 tons of high-carbon ferrochrome per year, nearly all of it along the mineral-rich Great Dyke, accounting for 4 percent of global ferrochrome production.

Zimasco has also the world's second largest reserves of chrome, after South Africa. It was formerly owned by Union Carbide Corporation, now part of Dow Chemicals Corp.

Oh, oh! Alarm bells went ringing in London and in Washington at that news.

China clearly views Africa as a central part of its strategic plan, most notably for its oil reserves and vital raw materials such as copper, chrome, nickel. The continent is also at the same time becoming an important region for Chinese manufactured exports. But the raw materials battle is at the heart, and the real reason by all accounts, why Washington recently decided to form a separate Africa Command in the Pentagon.

Controlling China's economic emergence is an un-stated strategic priority of United States foreign and military policy and has been since before September 11, 2001. The only delicate point in the business is the fact that China, with well over \$1.7 trillions of foreign exchange reserves, most believed in form of US Treasury securities, could trigger a complete dollar panic and further collapse of the US economy should she decide for political reasons it were too risky to continue holding its hundreds of billions of US dollar debt. In effect, by buying US Government debt with its trade surpluses, China has been indirectly financing US policies counter to Chinese national interest such as the Iraq war, or even the \$100 million or so annually that Condi Rice's State Department spends on Tibet.

China is refusing to play by the rules of the Anglo-American neo-colonial game. It does not seek IMF or World Bank approval before dealing with African countries. It makes soft loans, regardless who might be running the country. In this it does nothing different from Washington or London. The Chinese see American influence in Africa less entrenched than in the rest of the world, thus offering unique opportunities for China to pursue its economic interests.

It may or may not be cynical. It may be Realpolitik. If it results in the ability of certain African countries to use China as a political counterweight to the one-sided Anglo-American domination of the Continent, that itself could be a major benefit to Africans depending on how they use it.

Clearly, it has been extremely positive for Chinese access to vital economic minerals for its economy as well as oil from places such as Darfur and southern Sudan, or Nigeria.

Mineral wealth has once more put Africa on center stage of a battle for mineral riches between East and West. This time, unlike during the Cold War era, however, Beijing is playing with far more assets, and Washington with far less.

**F. William Engdahl** is author of *A Century of War: Anglo-American Oil Politics and the New World Order* (Pluto Press), and *Seeds of Destruction: The Hidden Agenda of Genetic Manipulation* ([www.globalresearch.ca](http://www.globalresearch.ca)). He may be contacted through his website,

## [Seeds of Destruction](#)

The Hidden Agenda of Genetic Manipulation

by F. William Engdahl

**Global Research, 2007**

**[CLICK HERE TO ORDER](#)**



This skillfully researched book focuses on how a small socio-political American elite seeks to establish control over the very basis of human survival: the provision of our daily bread. *"Control the food and you control the people."*

This is no ordinary book about the perils of GMO. Engdahl takes the reader inside the corridors of power, into the backrooms of the science labs, behind closed doors in the corporate boardrooms.

The author cogently reveals a diabolical World of profit-driven political intrigue, government corruption and coercion, where genetic manipulation and the patenting of life forms are used to gain worldwide control over food production. If the book often reads as a crime story, that should come as no surprise. For that is what it is.

Engdahl's carefully argued critique goes far beyond the familiar controversies surrounding the practice of genetic modification as a scientific technique. The book is an eye-opener, a must-read for all those committed to the causes of social justice and World peace.



*F. William Engdahl is a leading analyst of the New World Order, author of the best-selling book on oil and geopolitics, A Century of War: Anglo-American Politics and the New World Order, His writings have been translated into more than a dozen languages.*

**[CLICK HERE TO ORDER](#)**

The original source of this article is Global Research  
Copyright © [F. William Engdahl](#), Global Research, 2008

---

**[Comment on Global Research Articles on our Facebook page](#)**

**[Become a Member of Global Research](#)**

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)

[www.globalresearch.ca](http://www.globalresearch.ca) contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)