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TITLE: **THE CHINESE MODEL OF INVESTMENT IN ZIMBABWE: WHAT IS THE POSSIBLE IMPACT TO THE ECONOMY?**

A Dissertation Submitted in Partial Fulfilment of the Requirements for the Master Degree in Business Administration

By

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DECLARATION

I, **Sharon Mushangwe**, do hereby declare that this dissertation is a result of my own investigation and research, except to the extent indicated in the acknowledgments, references, and by comments included in the body of report and that it has not be submitted in part or in full for any other degree to any other university.

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ABSTRACT

This research seeks to find out the model of Chinese investment in Zimbabwe and how it possibly impacts the Zimbabwean economy represented by variables such as employment, production, trade balance and tax revenue. The period under consideration is from 2009 up to 2019. The main objectives are finding out the model of Chinese investment, examining if the Chinese model of investment impacts positively on the Zimbabwean economy and finding out whether or not Chinese businesses are thriving in a turbulent Zimbabwean business environment. The mixed method approach of using both quantitative and qualitative data was used in an attempt to answer research questions. Analyses of relationships using Correlations, Regression and decoding qualitative data was done. The results show that the model of Chinese investment used in Zimbabwe is similar to the one used in other African countries like Angola and the Chinese model of investment positively affects the Zimbabwean economy. The engagement of China and Zimbabwe in terms of investment therefore denotes a mutual benefit between the two states. However, from qualitative data there is need to look at the employment model used by the Chinese investors.

Key Words: Zimbabwean economy, Chinese model of investment, turbulent environment

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CHAPTER ONE

INTRODUCTION

1.0 Foreign Direct Investment is eminent in Africa. Africa's main investing countries include America, Britain, France and China who are the major competitors for the African market (Sautman and Hairong, 2012). China's interest and investment in Africa is a topical issue amongst scholars (Broadman, 2007; Kitissou, 2007; Adisu, Sharkey and Okoroafo, 2010; Brautigam *et al.*, 2017; Sidahmed, 2017). This is because there has been an increase in the number of Chinese investors coming to invest in Africa, whilst, on the other hand Africa is opening its markets to Chinese products (Sidahmed, 2017). In Zimbabwe the introduction of the Look East Policy in the early 21st century by the former president Robert Mugabe, saw a rise in the number of Chinese investments. The trips to China made by the current Zimbabwean President Mnangagwa since he came to power (in 2017 to present), for trade agreements between the two countries is an indication that Zimbabwe is engaging the Chinese investors.

Foreign direct investment (FDI) is an economic activity conducted by a foreign investor in the host country where he or she can partially or fully engage in the activity in which he has invested in (Sidahmed, 2017). FDI can help grow an economy through opening of new foreign markets, offering cheaper facilities of production and manufacturing, advances transfer of skills, machinery and technology (Munyanyi, 2017). Munyanyi highlights that, the receiving country of FDI, should have policies in place that are favourable and conducive for foreign investment which would in turn allow economic growth. A model of investment highlights the type of investment made by the investor whether be it capital or equity, the type of business that the investor enters into for instance is it a joint venture or partnership. In international trade a model of investment can show the business that the investing country and the recipient country are in. For example the China–Angola business model is a partnership between the two countries with Angola benefiting through development of infrastructure and China gaining oil (Begu *et al.*, 2018).

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Zimbabwe and China share a long history of friendship, with the relationship growing from an 'all weather friend' to a strategic partner (Xinhua Newspaper, 2018). The changing of the relationship from being "All weather friends" to a strategic partner means that there is more engagement between the two countries. More engagement also means that there is a better platform for Zimbabwe to access loans, grants and investments. Zimbabwe is estimated to be one of the top recipients of China's official development assistance receiving $3.6 billion (African Development Bank, 2018). Despite the turbulent and unpredictable business environment, Chinese individuals and companies are still investing in Zimbabwe.

In the face of a struggling economy, where big companies such as Delta Beverages are reducing their product range, and some are closing down, Chinese investors are still coming in and occupying key economic sectors in Zimbabwe. According to the Zimbabwean Investment Authority (2015) report, Chinese companies in Zimbabwe are particularly investing in areas of construction, agriculture, mining, and the service industry. Thus the present research attempts to answer the following questions: what is the model of investment the Chinese are bringing? , is the Chinese model of investment changing Zimbabwe's economy in any way? , and, whether or not the Chinese investors are thriving in this highly turbulent business environment like Zimbabwe? An enquiry into these questions raised is likely to benefit not only the researcher but also some stakeholders such as the policy makers, government institutions like Zimbabwe Revenue Authority (ZIMRA), Zimbabwe Investment Authority (ZIA), the government as well as the Zimbabwean companies and individuals who engage in business with the Chinese or who want to simply understand Chinese investment in Zimbabwe.

BACKGROUND

China is undeniably developing at a fast rate with an annual average economic (GDP) growth rate of about 10% since 1979 to date. The Chinese people are venturing into different businesses across the globe because the Chinese government encourages its people to venture into business in other nations (Mguni, 2016). China in its quest to trade globally and increase its foreign investment it engages with Africa through its One Belt One Road initiative (Breuer, 2017). This major initiative from China is there mainly for development of Africa's (and other interested countries') infrastructure. China's cooperation with African countries is visible in many countries like South Africa, Ethiopia, Tanzania, Zambia, Egypt, and Nigeria (Koumou and Manyi, 2016).

With all the projects that Chinese companies are involved in, they have a model of investment. According to Koumou and Manyi, (2016), financing of Chinese investment is done through state agencies like China Export-Import Bank (China Exim Bank), Chinese Development Bank (CDB), Chinese Credit insurance corporation (SINOSURE) and China Investment Corporation (CIC). Privately owned companies, multinational companies, small and medium companies and local governments can raise their own money and invest in countries of their choice. The model of Chinese investment is known as the Beijing consensus (Ramo, 2004) tries to promote economic development which is an alternative for developing countries.

In Zimbabwe China has a historical link which is dated back to the liberation struggle (Mudavanhu, 2014). The relationship became more meaningful in the early 2000s when Zimbabwe introduced the Look East Policy which was motivated to counter measures imposed by the Western countries over land invasions and grabbing that is the land reform programme (Youde, 2014). China proved to be an "All weather friend" by standing with Zimbabwe during those tough times. In 2008 when Zimbabwe experienced the worst economic recession, China stood by Zimbabwe up until 2009 when the Government of National Unity (GNU) was introduced hence leading to stability of the economy. However, the

recession continued in 2013 after the end of the Government of National Unity. In 2015, December the current Chinese president Xi Jinping visited Zimbabwe and promised a number of projects which were widely reported as Mega deals (Newsday, 07-12-17, Herald, 26-08-14). Recently China upgraded its diplomatic relations with Zimbabwe from 'All weather Friend" to "Strategic partnership" (Xinhua, 03-04-18). Strategic partnerships in line with the Chinese government is about building stable relations without targeting any third party (Goldstein, 2005). According to Strüver (2016, p. 283) "...partnership relations entail a structured framework for collaboration between states that goes beyond normal diplomatic interaction and provides for regular exchange between different government department and agencies". Thus the strategic alliance between Zimbabwe and China is mainly anchored on increasing trade between the two countries where the ideal situation is opening up markets for both countries to benefit.

In light of the issue raised above and within this background, considering the period that Zimbabwe has engaged China for business, the researcher wants to understand the way the Chinese have been doing business in Zimbabwe. This is achieved by further inquiring on the model of their investment in Zimbabwe, which sectors have they been dominant and ultimately, is Chinese investment likely to positively impact the Zimbabwean economy? The economy is analysed in terms of the following variables: employment, production, tax revenue and trade balance.

1.2

RESEARCH PROBLEM

Over the last decade, from 2009 to 2019, Zimbabwe has been faced with harsh economic hardships. Currently the economic challenges can be seen by shortage of foreign currency, liquidity shortages, industrial stagnation, high domestic and foreign debt and high unemployment rates especially amongst young people (African Development Bank, 2018). These challenges are ultimately affecting business operations. The poor infrastructure and out dated technology can also slow down the country in terms of development. Zimbabwe has been struggling to get meaningful investments as well as accessing loans to help turn the economy

around due to the high foreign debt that it owes to major financial institutions. The economic hardships caused some companies like Reckit Benckiser the manufacturers of Cobra, Nugget and Dettol to shut down in 2014 (Herald, 07-01-2014). Recently Delta Beverages has been streaming down activities and shutting down some of its soft drink plants (Bulawayo24News, 23-12-2018).

The coming in of Foreign Direct Investment (FDI) can be a way to tackle the above mentioned problems. In the new dispensation, the Zimbabwe is open for business mantra is a way to market Zimbabwe and encourage different investors to invest in Zimbabwe. China is amongst those countries which have been investing in Zimbabwe. According to the African Development Bank report (2018), China has emerged to be Zimbabwe's largest investment and trade partner and there seems to be an increase in the number of Chinese investors coming to Zimbabwe. The problem is whether or not Chinese investment is addressing the economic challenges mentioned above. If not, what are the reasons and what should be done in order for Zimbabwe to help grow its economy through Chinese investment.

1.3   RESEARCH OBJECTIVES

The research is aimed at finding out the model of Chinese investment in Zimbabwe and the possible impact it may have to the Zimbabwean economy. The present research aims:

❖   To find out the model of Chinese investment in Zimbabwe;

❖   To examine the possible impact of Chinese investment to the Zimbabwean economy (where the economy is considered to take into account the following variables: employment, production. tax revenue and trade balance)

1.4   ❖   To establish whether or not Chinese investors are thriving in a Zimbabwean turbulent business environment.

RESEARCH QUESTIONS

Based on the above objectives, the present research therefore seeks to answer the following research questions;

❖ What is the model of Chinese investment in Zimbabwe?

❖ What are the possible impacts of Chinese investment to the Zimbabwean economy?

❖ Are Chinese investors thriving in a turbulent Zimbabwean business environment?

The specific questions that emanate from the broad question 2 is that:

- How does Chinese model of investment impact employment?
- How does the Chinese model of investment impact production?
- How does the Chinese model of investment impact trade balance?
- How does the Chinese model of investment impact tax revenue?

RESEARCH HYPOTHESIS

1.5

In trying to answer the above questions, a hypothesis has been postulated.

General Hypothesis:

H0: There is no positive impact of Chinese model of investment on the Zimbabwean economy

H1: There is a positive impact of Chinese model of investment on the Zimbabwean economy.

From this main hypothesis, the research goes on to further to show the specific hypothesis as follows:

Specific Hypothesis:

1. **H0:** There is no positive impact of employment on Chinese model of investment.
   H1: There is a positive impact of employment on Chinese model of investment.

2. **H0:** There is no positive impact of trade balance on Chinese model of investment.
   H1: There is a positive impact of trade balance on Chinese model of investment.

3. **H0:** There is no positive impact of production on Chinese model of investment.

   H1: There is a positive impact of production on Chinese model of investment.

4. **H0**: There is no positive impact of tax revenue on Chinese model of investment.

   H1: There is a positive impact of tax revenue on Chinese model of investment.

RATIONALE OF THE STUDY

1.6   The researcher has been working with the Chinese people for nearly 5 years, thus gaining some insights into some undocumented ways in which they invest and operate their business. This dissertation will bring to light certain issues that may be unknown to the local authorities in order to help the government on policy making with regards to Chinese investment. This research will also provide important reference for companies and stakeholders such as regulatory bodies such as ZIMRA, ZIA and individuals who want to partner with the Chinese.

This study will be contributing to the existing body of knowledge on the nature of Chinese investment in the world. The distinction of this particular study is the geographical focus, that is, the current study focuses on Zimbabwe while other studies have focused on Angola, Namibia, and Myanmar (DeBoom, 2017; SiuSue, 2017; Begu *et al.*, 2018). There seems to be scarcity of research on the model of Chinese investment in Zimbabwe. The research that was done on Chinese investment focused on the role of Chinese investment in development of Zimbabwe (Hogwe and Banda, 2017). However, Hogwe and Banda (2017)'s research did not explore more with regards to the possible impact that Chinese investment is likely to have on the Zimbabwean economy. Thus, apart from investigating the model of Chinese investment in Zimbabwe, the research goes on to bring to light the possible impact that Chinese investment might have on the economy. Therefore this particular research will contribute on literature on Africa-China relations, Sino-Zimbabwean relations. The researcher hopes that this

research will contribute to vision 2030 which seeks to see Zimbabwe being turned into a middle income state. The present research is likely to be an important reference material for government policy formulation that will be helpful to reviving Zimbabwe's economy.

With all the investment coming from China since 2009 up to date is there any impact of this investment to Zimbabwe? The researcher's intention is to gather data that will answer the above question and to ascertain whether the Chinese investment is able to bring growth and development to the nation. At the moment it seems like the Chinese are benefiting more than Zimbabwean citizens. In this regard, it is hoped that this dissertation will bring to light the realities and complexities of Chinese investment in Zimbabwe and African at large. This study will give an insight into some of the realities that have been happening over the years. The researcher hopes to describe the model of Chinese investment in Zimbabwe.

China is developing at a fast rate whereas in Zimbabwe where they are investing in, there is very little growth. The question is why is this so in Zimbabwe when in other African countries such as Ethiopia, Rwanda, Zambia, Angola and South Africa, Chinese investment is bringing positive growth (Brautigam, 2010). The Chinese have upgraded infrastructure by building highways that connect major urban areas with rural communities in Sudan, Angola and Ethiopia. Thus the question still remains if these countries are benefiting what about Zimbabwe? There is therefore need to research and find out whether there has been any significant change to the Zimbabwean economy brought about by Chinese investment?

1.7

SCOPE OF RESEARCH

The research is focused on investigation of the Chinese investment model in Zimbabwe. The target population are the Chinese investors which were given questionnaires to obtain the necessary data. Regulatory bodies such as Zimbabwe Investment Authority (ZIA) and ZIMRA were also included in obtaining relevant

statistics pertaining to Chinese investment in Zimbabwe. The researcher investigated the Post Dollarisation era from the period 2009 to 2019. This enabled the researcher to obtain enough data in order to come up with the Chinese model of investment and find out the possible impact it has to the economy. The main variables considered are employment, production, tax revenue and trade balance.

1.8   **DISSERTATION OUTLINE**

The dissertation contains five chapters which are briefly outlined below to highlight the areas of focus in each chapter. This gives a clear picture of the contents of each chapter and its contents.

Chapter One

This chapter introduces the research, the aim and objectives of the research. It brings out the main argument that is carried out throughout the study.

Chapter Two

The chapter contains a survey of all relevant literature pertaining to the study. The literature review contains the current state of knowledge, theories and models that are reviewed in order to see the research gap and how the research will be able to contribute to the existing body of knowledge

Chapter Three

In this chapter, the researcher highlights the research design and the methodology that is used in order to obtain data.

Chapter Four

The data obtained is then analysed and presented in this chapter. Thus presentation of the data highlights what the researcher found. The findings are a guide to the conclusion that are done in the next chapter.

CHAPTER FIVE

The final chapter contains the conclusion which shows the answers to the research questions raised in chapter one. This chapter also provides recommendation for further researches carried out in the future.

CHAPTER SUMMARY

1.9   In this chapter an attempt was made to introduce the key problem of the matter under investigation in the present research. It was pointed out that Zimbabwe is faced with a host of challenges and it has looked East (with major focus being China) for a financial turnaround but, whether or not Chinese investment has made a significant impact on the Zimbabwean economy is yet to be investigated. Foreign Direct Investment was defined and its importance to growing an economy were outlined. The Chinese investment among other investors was pointed out as one of the FDI since 2000 after the introduction of the Look East Policy, however, despite the presence of Chinese investors in Zimbabwe the economy still seems to be slow in recovering completely. The relationship between China and Zimbabwe was traced in the background, after which key questions were raised in relation to the model used by Chinese investors in Zimbabwe. A hypothesis was formulated that the Chinese model of investment positively affects the Zimbabwean economy. The rationale of the study was also given; the research which is in line with the vision 2030, is likely to be a crucial reference to policy makers and other stakeholders. The chapter ended by providing the scope of the research with the aim to show the research objects which are Chinese investors, government departments as well as Chinese companies' employees. The next chapter will therefore focus on the Literature review in order to establish what has been researched on as well as the research niche.

<div align="center">**CHAPTER TWO**</div>

LITERATURE REVIEW

INTRODUCTION

2.0

2.1
The aim of this chapter is to provide a general review of literature on the model of Chinese investment. The chapter will give a summary and analysis of previous and current researches on the topic under study. According to Saunders, Lewis and Thorhill (2007), critically reviewing literature provides a foundation for the study and enhances knowledge on the subject matter and helps clarify the research questions. The review of literature on Chinese investment helps to obtain a better understanding of the phenomenon under study, which is to find out the Chinese model of investment in Zimbabwe and the possible impact it has on the economy. This review also assists the researcher to identify the areas that are already known as well as the various methodologies that were used before, in order to stimulate new research perspectives.

The economy is analysed in terms of production, employment, tax revenue and trade balance. These variables are of great significance in that, they help to explain the Zimbabwean economy in relation to the Chinese model of investment. Through establishing the relationships, the researcher can be able to answer whether Chinese model of investment is positively impacting the Zimbabwean economy or not. This therefore ultimately highlights, if Zimbabwe is achieving any economic growth from Chinese investment. Thus critically analysing previous and current literature would enable generation and refinement of the research ideas which are in turn

2.2
necessary for the identification of the research niche.

SEARCH STRATERGY

There are different search strategies that are used when reviewing literature. The three major strategies are, chronological, thematic and methodological. The historical format also known as the chronological strategy is whereby the reviewed literature is organised chronologically. This strategy places emphasis on the progression of research or proposed theories or on change in practices over time.

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The purpose of placing research in a historical context when conducting the review is, to show familiarity with the developments and identify the likely direction of future research (Fink, 2014).

Thematic or theoretical approach of analysing literature as its name suggests is drawn from themes, theories or concepts. According to Fink (2014), the aim of this form of strategy is to examine the corpus of theory that has accumulated in regard to an issue, concept, phenomenon or theory. Thus this strategy helps to establish already existing theories, relationships between them and to what extent those theories have been investigated. This can also help in developing new hypotheses to be tested (Fink, 2014).

The methodological approach entails reviewing of literature based on the methods that different authors use and the results they obtain in a research area. This method simply answers 'how' scholars came about saying what they say.

In organising the literature, the researcher used the funnel approach which entails reviewing of literature from a broad dimension to a specific dimension. With this approach the researcher chose to chronologically filter the previous and current research. Therefore, the chronological order style and the funnel method, was used so as to get a deeper insight into the various ideas on Chinese investment that have been put forth by different scholars and how they developed over time. The research traces the past and present literature on the subject under study from both

2.3 international and local scholars.

DEFINITION OF PHENOMENON

This section seeks to define the key terms used in the present study as they are defined by other scholars and situate the definitions within the scope of the study. Definition of terms differs from one research area to another, therefore it is necessary to provide working definitions for key terms that will be used in the present research in order to avoid confusion.

2.3.1 Model

A model is a technique that is used to analyse a certain phenomenon. In economics models are commonly used features which may be regarded as useful means of explaining and predicting behaviour (Davies and Lam, 2001). According to Davies and Lam (2001), a model should provide a better explanation of facts through being tested against data on actual behaviour of the entity being modelled in order for it to have value. In the present research the working definition will be based on the above two definitions as it relates to how Chinese people do business in Zimbabwe.

2.3.2 Investment

According to business dictionary, investment is defined as the creation of capital or goods capable of producing other goods and services. Economic growth is achieved by investment through allocation of income to long term asserts (capital goods) for future production rather than current consumption (Phillips and Ritchie, 1983). Thus in the present research, investment will be viewed as any business activity or process where capital, human resources and intellectual property are employed into a given economic activity in order to obtain economic returns.

2.3.3 The Concept of Model of Investment

A model of investment at international level explains the principles that guide investors when they invest outside their country. These principles affect both the host country (country which is receiving investment) and the country which is investing. Different countries have different models of investment this may be as a result of the policies that a country adopts in order to engage in international trade.

Some of the distinct models that exist in the present day global village include: the Washington Consensus which is mainly adopted by Western countries and the Beijing Consensus which is adopted by the Chinese as their economic model. According to Sautman and Hairong (2012), the Beijing Consensus is a

phrase coined by Joshua Ramo which describes China's trade, aid and investment carried out without interruptions from Western countries and international institutions. The Washington Consensus is an economic policy model developed by Williamson (1989). The original model by Williamson (1989) consists of ten principles that are considered to form a standard reform package promoted for crisis wrecked countries by Washington based institutions such as International Monetary Fund, World Bank and the United States treasury department (Williamson, 1989). According to Yao (2011), the Washington Consensus is a model of neoliberal and market oriented doctrines which is different from the Beijing Consensus where there is heavy involvement of the state in the economy and authoritarianism.

2.3.4   Turbulent Business environment

The environment in which business operates is related to the overall economic, social and political atmosphere of a country. A turbulent business environment is characterised by constant change, unpredictable and vanishing stability that in turn affect the way businesses operate (Hedlof and Janson, 2000).

2.4   UNDERPINNING THEORIES

In the pursuit of discussing the Chinese model of Investment, it is fundamental to first discuss major theories that relate to different ways different countries invest in other countries. Below, the economic theory will be discussed as a major theory that relate to model of investment.

2.4.1 Economic Theory

The economic theory is concerned with principals and laws which govern the functioning of an economy and its various parts, this in turn affects the way investors behave in different environments. An economy exists due to two reasons which are: the human wants for goods and services are unlimited and the productive resources to produce goods and services are scarce. A lot of controversy has arisen on the subject matter of economic Theory with varying

definitions from different authors. According to Smith (1904), economic theory or economics enquires into the nature and causes of wealth of nations. Ricardo, (no date) goes on to define economics as dealing with the distribution of income wealth. However, Robbins (no date) defines economics as the study of allocation of resources amongst competing users. From the three definitions it seems they lack the true nature and scope of economics. Thus scholars such as Bernardo and Rolando (1973), define economics as the study of factors affecting the size, distribution and stability of a country's national income. This therefore means that in economics, the two most fundamental aspects are economic growth and economic stability.

Economic growth is simply the increase in production and consumption of goods and services of an economy and it entails increasing population or per capita consumption. Measurement of economic growth can be based on Gross Domestic Product (GDP) or Gross National Product (GNP) per capita also accounting the population differences that exist between the two countries (Helpman, Melitz and Yeaple, 2004).

The economy can be classified in different ways such as simplex and complex economy, agricultural and industrial economy, socialist economy, capitalist economy, free- enterprise economy, mixed economy, planned economy, under-developed and developed economy. An under-developed economy is an economy characterised by co-existence in greater or less degree of unutilised or underutilised man power and unexploited natural resources (Indian Planning Commissions). The main characteristics of underdeveloped economies are excessive reliance on agriculture, and rapidly increasing populations.

Economic theory or economics has two sub branches macro-economics and micro economics. Macro-economics is concerned with aggregate and averages of the entire economy such as national income, total employment, total consumption, aggregate output, saving and investment. Whilst, micro economics deals with the economic action and behaviour of individual

decision making units and small groups of individual units. Micro-economics is important in formulation of economic policies that will promote the welfare of the masses and it can be applied to International Economics.

The economic theory as highlighted by Ghosh Roy and Van den Berg (2006), suggest that international investment result in a more efficient allocation of world saving, more intertemporal consumption smoothing and more visible reduction through asset diversification. Thus the theory is important in understanding the way Chinese companies invest and how they survive in the international arena.

DISCUSSION OF THE CHINESE MODEL OF INVESTMENT

2.5   A lot has been written on Chinese investment in the world in general, Africa and in Zimbabwe in particular. A number of scholars directly and indirectly examined different aspects of Chinese model of investment, with some scholars being sceptical of the Chinese model of investment in developing countries while others are quite positive of the future promised under the Chinese economic growth model. There seems to be varying opinions on whether Chinese investments impact positively or negatively on the economy of a receiving country amongst scholars who study the effects or impact of Chinese investment (Adisu, Sharkey and Okoroafo, 2010; Gu, 2015; Mlambo, 2019). Adisu, Sharkey and Okoroafo (2010), show that Chinese investment impacts negatively on local trade and commerce, Chinese approach to investment downplays political issues including human rights, in some instances there is no benefit to local labour. Mlambo (2019), wrote a paper titled "Exploitation dressed in a suit, shining shoes and carrying a suitcase full of dollars: What does China want in Africa?" In this paper the author questioned China's interests in Africa and boldly claimed that China is indeed exploiting Africa. Similarly, Hogwe and Banda (2017) are of the opinion that the engagement between China and Africa is unbalanced with China having the upper hand because they are the ones who have capital.

On the other hand, other scholars feel that the relationship between China and Africa is reciprocal in that China needs raw materials and Africa needs

infrastructure and technological transfer (Schiere, Ndikumana and Walkenhorst, 2011). Other authors are also of the view that Chinese investment positively impacts the economy or economic growth of the receiving countries. Authors such as Dadvar (2016), highlight that, the ideas which are proposed by other scholars which support the notion that, China is exploiting Africa are to a large extent a myth not backed by valid data. African countries are directly benefiting from the infrastructural development as well as direct foreign investment which is creating employment for Africans (Dadvar, 2016; Zhang and Kangombe, 2016; Brautigam, Xiaoyang and Xia, 2018). It is apparent that there is no agreement among scholars as to whether Chinese model of investment positively or negatively impacts economies of receiving countries. The present paper will therefore review the ideal Chinese model of investment and goes on to examine specific case studies in order to bring out the realities on the ground.

Ramo (2004) is one of the authors who discussed in detail the Chinese model of investment which the author termed 'the Beijing consensus". This model of investment aims to promote economic development which is an alternative for developing countries. As Ramo (2004) puts it, the Beijing consensus is based on principles of non-interference in political issues of a country and there are a "no strings attached" in the way business is conducted thus the Chinese believe in promotion of mutual growth (Ramo, 2004; Koumou and Manyi, 2016; Breuer, 2017). This model of investment is attractive to African states since there are no strings attached unlike Western investment where there are issues of political interference, human rights issues in which loans or investments can be challenging to obtain. China's aid and investment considering the 'no strings attached' principle is an attractive alternative for a country like Zimbabwe (Mguni, 2016; Weng *et al.*, 2018).

Some authors such as Adisu, Sharkey and Okoroafo (2010); Breuer (2017) and Sidahmed (2017) see the Chinese model of investment in Africa as a combination of economic growth objectives and foreign policy with no emphasis on meddling in a receiving country's political affairs. The model of Chinese investment building on from the Beijing Consensus of (Ramo, 2004) is also discussed by (Koumou and Manyi, 2016). These scholars go on to show that, financing of Chinese investment

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

In light of the above authors' understanding of Chinese Investment model, the researcher takes into consideration the fact that the Chinese economic model consists of the principles which differentiate Chinese from Western policies in engaging other countries for international business. The Chinese government through its economic policies encourages Chinese people to invest in other countries. These investors in turn obtain loans from the institutions mentioned above.

China as a growing economic power has raised eyebrows in the academic world since its decision to open up its market for trade with other countries. Sachs (2004), acknowledges that, China's decision to open up for trade is a game changer in terms of its rise to being a super power in the twenty first century. Sachs (2004, p. 24) goes on to predict that, "China's leap will lift the most populous country on earth into the heart of politics and economics in the coming century, ...". Evidence from the GDP rankings of the World's Largest Economies shows that, in 2018 China ranks number two in the world, therefore being the second largest economy with United States of America (USA) on number one.

In Europe, Chinese investment is eminent and also popular as it is in Africa. According to Seaman, Huotari and Otero-Iglesias, (2017) Chinese investors are seeking technology, access to European markets, access to brand names, a stable and legal regulatory environment, political or diplomatic influence, access to third markets like Latin America and Africa through European corporate networks and an integrated global value chain in production, transport and knowledge. The report goes on to highlight the five major sectors in which Chinese investors mainly invest in. These sectors include; transport, energy, telecommunications, real estate and tourism. There are few instances where Chinese companies invest in raw material

extraction like the extraction of uranium in Greenland but, there are major issues on the impact to the environment that arose. According to Girault (2019), Chinese investment is present in countries like France, Greece, Hungary, Poland, Portugal and Germany. Girault (2019), goes on to show that, Chinese investors are mainly into acquisition of European companies with examples of Volvo Cars in Sweden, Pirelli tyre making company in Italy, Club Med holiday group of France and Kuka which is a German based robots manufacturing company. Thus the Chinese investment model that is eminent in Europe is that of acquisition of company shares. This massive acquisition led Europe to impose strict measures and control in order to reduce Chinese investment. This has led to a decrease in Chinese investment in recent years in Europe (Hanemann, Huotari and Kratz, 2019).

Contrastingly, Africa shows a differing model of Chinese investment from that of Europe The key drivers of Chinese investment in Africa as noted by Ayodele and Sotola (2014), is natural resources which is abundant in Africa and a market for Chinese products. According to Ayodele and Sotola (2014) the main sectors in which Chinese companies invest in are manufacturing, mining, construction and agriculture. There are a number of scholars who focused on the way Chinese investors do business in Africa. In the research titled *China's Engagement with Nigeria: Opportunity or Opportunist* (Umejei, 2015) found out that Chinese engagement is not different from any global powers seeking national interest in Nigeria and Africa. There were issues of Nigerian policies which allowed Chinese companies to exploit the country, thus recommendations were made for Nigeria to come up with good policies that would benefit not only Nigeria but also other African countries to do likewise (Umejei, 2015). In the research of Sidahmed (2017) on the *Economic Dimensions of Chinese Investment in Africa from 2000 to 2015* found that, Chinese investments in Africa are direct investments that influence the size and nature of exchange between the two parties. The study also shows that, Chinese investments were more concentrated on the field of natural resources and energy which led to uneven impact on the economic indicators of the continent's countries, in terms of GDP, balance of trade and poverty rates. Similarly, Brautigam *et al.*, (2017) in trying to understand Chinese investment and the role it has on the economies of African countries, present a balanced view of Chinese

investment in Africa by examining trends using Chinese official data from the period 1998 to 2015. The findings highlight that, Chinese investment in Africa is less extensive than what is believed but can potentially generate employment and development of Africa.

Different countries can exhibit different models of investment because countries have differing resources and also differing business environments. A study on Chinese investment in the manufacturing sector conducted on four African countries namely: Ethiopia, Tanzania, Nigeria and Ghana shows differing models which arise as a result of how Chinese businesses invest (Brautigam, Xiaoyang and Xia, 2018). With the use of Aikamatsu's model of the 'flying gees', Brautigam, Xiaoyang and Xia (2018) categorised Chinese investment as follows: large global supply chain gees, strategic local market seeking gees, opportunistic small geese travelling together and raw materials seeking 'gees'. These categories can explain better the way in which Chinese do business. For example the opportunistic small gees travelling together highlights how Chinese investors refer one another in terms of what to invest in. The findings show that, 48% of the interviewed Chinese companies, production was mainly for the host country's market and the companies manufactured goods that substitute imports. Some Chinese companies were adding value to raw materials.

Begu, Vasilescu,Stanila and Clodnitch (2018), are some of the authors who directly examined the Chinese model of investment in relation to an African country. In this particular research the researchers investigated the China-Angola investment model and the results indicated that both China and Angola were mutually benefiting from the model China used. China invested in Angola through provision of loans to construct infrastructure for petroleum. In return, 54% of the oil from Angola is exported back to China. In the process, Angola is enabled to pay back the loan. The authors concluded that this investment represents a source of growth and infrastructural development for Angola while on the other hand a source of energy that fuels China. The authors also observed that a huge population of those unemployed in Angola were getting employment opportunities through this partnership thus alleviating Angola's economic woes. This model mirrors the

Beijing Consensus model (discussed above) in that, it attempts to promote mutual growth for both the source country (China) and the received country (Angola).

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

From the review of Mvutungayi (2010)'s work, it is clear that the phenomenon and circumstances surrounding the period under study are different from the present . This is because since 2009 there was the introduction of multicurrency, changes in the political arena and the business environment in Zimbabwe has also changed. Although there are these changes, but, one cannot deny that some of the problems faced in 2009 are still being faced by the country in 2019. Makochekanwa (2009), highlights these challenges noting that, Zimbabwe has faced hardships of non-affordability of essential goods and services, non-availability of local currency, withdrawal limits at the banks, buying and dealing of foreign currency and disappearing of good business ethics. This has led to an erosion of the social morals

and criminal activities. Despite these hardships and environment the Chinese are still investing in Zimbabwe. Thus there is need to further enquire on whether or not the Chinese businesses are surviving in a highly turbulent environment like Zimbabwe in light to the period of 2009 up to 2019.

Recent work on Chinese investment in Zimbabwe focus on different aspects such as finding the relationship between trade openness and foreign direct investment (Tsaurai, 2015) and the legal side of Chinese investment (Maparure, 2014). On legal issues on Chinese investment Maparure (2014) found out that there are complexities that abound in the regulation of Chinese investment due to lack of strict systematic and concerted enforcement in Africa. The author goes on to show that Zimbabwe has good laws but application or reinforcement of the laws seems to be selective and lax. The conclusion that the author made is that, when it comes to Chinese deals and investments African countries should be transparent about the deals they sign with China. Lack of transparency raises unnecessary suspicions about Chinese investment. Maparure's 2014 study is highly focused on the legal aspects of Chinese investment and also brings to light governance issues, labour issues that affect African countries. Thus the study is more focused on the regulatory side of Chinese investment and inclined toward the legal state in which Chinese companies operate when they are in African countries like Zimbabwe and Namibia.

On the other hand Tsaurai (2015) studies the relationship between trade openness and foreign direct investment using Autoregressive Distributed Lag (ARDL) model. The results from this research show that there is no relationship between trade openness and FDI. The author went on to acknowledge that Zimbabwe needs to craft good policies in order to boost FDI and international trade. On Chinese investment, Tsaurai (2015) highlighted that Chinese investment has created jobs, developed critically needed infrastructure and contributed to economic growth of African countries. The question that is raised from Tsaurai's 2015 research is to what extent has Chinese investment impacted the Zimbabwe economy?

In Hogwe and Banda's (2017) research titled, *"The nature of Chinese role in the development of Africa: A case of Zimbabwe"* tries to establish whether China's interest in Africa is a 'blessing or curse' and the nature and implications of Sino-African relationships with various states. The authors examine this through determining the nature of Chinese investment in Zimbabwe and the impact brought by Chinese investment using a historical structural approach. The conclusions from the research shows that Chinese investment in Zimbabwe is highly concentrated on resource extraction and infrastructural development. The recommendation is that Zimbabwe should move towards value addition on raw materials so that it benefits more (Maparure, 2014; Hogwe and Banda, 2017). Chinese investment has minimal impact on employment and Chinese economic involvement is more of increasing its economic pursuits as it creates jobs for the Chinese populace (Hogwe and Banda, 2017). The authors also note that trade is unbalanced between China and Africa since China is a superpower but, the two continents can reach a win-win situation. In light of this view, the case of Zimbabwe they go on to show that Chinese investment is a new source of financing, Chinese products have had a negative and positive impact in that they create competition with local companies but to the consumer, the Chinese products are cheap. The cheap Chinese products affected major companies like Bata which suffered in that customers would choose the cheaper Chinese products over their products. This research, is more inclined to studies of Sino-Zimbabwe relations and issues of Chinese investment in Zimbabwe are highlighted but the method that was used to gather data does not directly show the impact that Chinese investment has on the Zimbabwean economic variables like tax revenue, trade balance, production and employment. This therefore, presents a research niche.

2.6

LITERATURE SYNTHESIS

This section tries to give an overview of literature on Chinese model of investment and articulates the research gap that the researcher found. The Chinese have been in the forefront of investing in other countries since they have access to loans from their government, private companies and Chinese banks. The Chinese model of investment in Europe differs from Chinese investment in Africa in that the sectors

that the Chinese companies invest in are different. Currently, European governments are implementing strict and robust measures to protect their local companies, market and resources. On the contrary, African governments seem to have an open policy that allows any Chinese investor to come in and there seems to lax regulations when it comes to Chinese investors (Maparure, 2014). This is probably due to the fact that African countries are mainly at the developing stage, thus there is need for capital to improve infrastructure, alleviate poverty and revive their industries which were abandoned by the Westerns. Thus from the above literature review Chinese investment is growing in Africa while it is decreasing in Europe.

With this growing investment coming to Africa, scholars questioned the type of investments made by Chinese in Africa and some showed that there are imbalances in that China is the superpower, with the capital whilst Africa is on the receiving side. As it is said in the Shona adage, "*Ane mari ndiye mukuru*" literary translated as "The one who has money, has more power'. Thus the Chinese investors seem to have more power and control when it comes to making business deals and getting what they want in African countries.

Based on the literature reviewed, while the Chinese model of investment in Africa is regarded as a model that promotes mutual benefit, it is imperative to note that, the various authors did not analyse the actual way the Chinese companies do business in host countries. Also, the researches that focus on Chinese model of investment in African countries seem to be quite few. Therefore this creates the need to carry out similar research in other countries, in this case, focus will be on Zimbabwe. There is need to investigate the Chinese model of investment in Zimbabwe, and find out whether there is mutual benefit as proclaimed in the China-Angola model. While the available literature points out to a possible similar model between Zimbabwe and China, however at the moment there seems to be a dearth of literature with regards to the actual Chinese model of investment that exist in Zimbabwe and whether both countries are mutually benefiting.

2.7 **CONCEPTUAL FRAMEWORK**

A conceptual framework is regarded as an aid for explaining the causal relationships that exist between variables. According to Dickson, Adu-Agyem and Emad Kamil (2018), a conceptual framework from a statistical view describes the relationship between the main concepts of the study. Thus the visual image of what the study is about is portrayed by a structural arrangement of the main ideas of the study (Grant and Osanloo, 2014). The conceptual framework from this literature review is presented in Fig 1, below in a diagrammatic form.

Figure 1 Conceptual Framework

RESEACH PROBLEM:
What is the Chinese model of investment and how is it impacting the Zimbabwean Economy?

The Independent Variables

The Dependant Variable

Chinese Model of Investment

Employment

Production

Tax Revenue
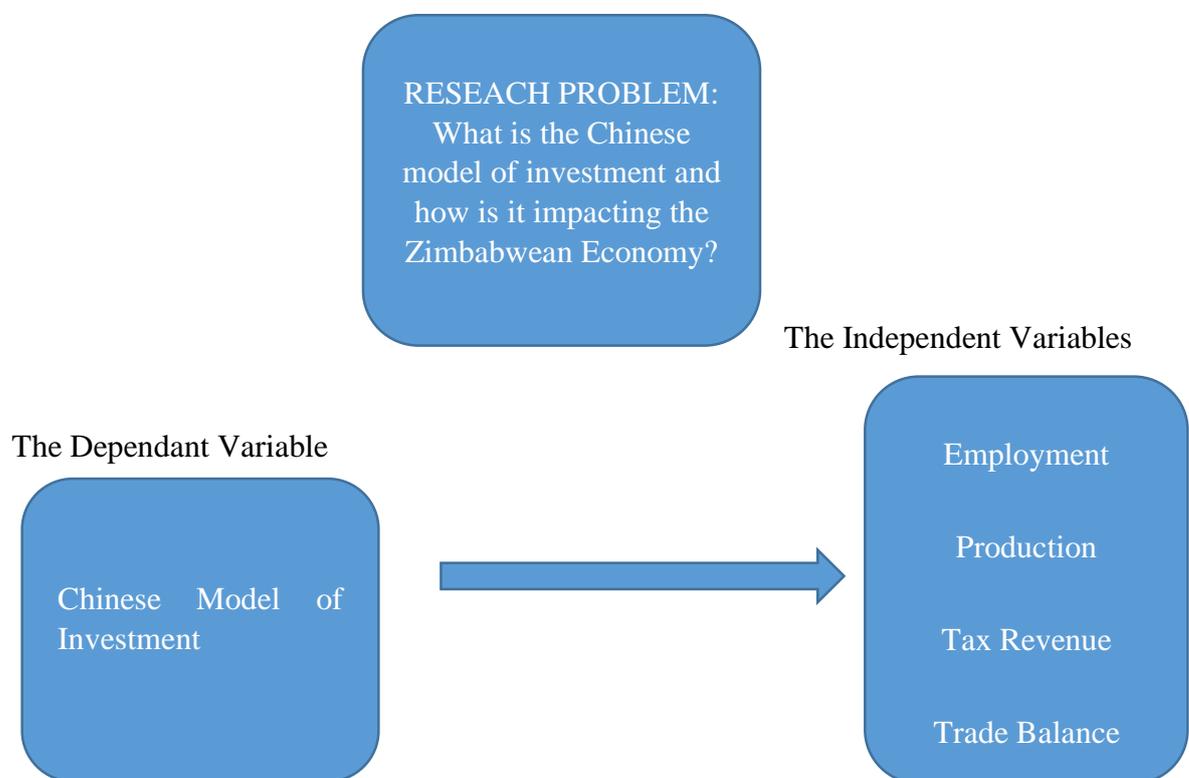
Trade Balance

From Fig 1, it can be seen that the Chinese model of investment is the dependant variable whist the independent variables are employment, production, tax revenue and trade balance.

2.8   **CHAPTER SUMMARY**

The present chapter gave definitions of key terms such as; investment, model and model of investment. The economic theory was also summarised as it relates to the issue of investment. An attempt was made to give a general review of literature on Chinese model of investment as well as the impact that Chinese investment has on the economy or economic growth. There was a summary on Chinese investment model as it is portrayed internationally, after which the Chinese investment model in Africa and in Zimbabwe was also reviewed. The literature reviewed showed that, there are varying views that emanate from Chinese engagement with Africa in light of the model that is used by the Chinese investors. A number of scholars have questioned this engagement thus, there are negative and positive views towards Chinese engagement with the African continent. Many scholars argue that the Chinese are mainly interested in investing in Africa's abundant raw materials and others seeing this as a win-win situation for both parties. From the synthesis it was observed that, though a lot has been written about China's presence in Africa and Zimbabwe, however, there was less literature on the way Chinese people do business in Zimbabwe with particular reference to the Chinese model of investment as well as the possible impact to the economy of Zimbabwe. This research gap justifies the need to carry out the present research. Having established the research gap the next chapter will look at the Methodology in which the research uses in order to find out the Chinese model of investment in Zimbabwe and the impact it has on the economy.

CHAPTER THREE

3.0   RESEARCH METHODOLOGY

This chapter focuses on the research methodology used. The research methodology which was used in this research is a mixed method where, quantitative and qualitative data is combined to answer the research questions. The methodology that a researcher uses is very important in that it determines the success of the research. This means that the results that are obtained from any research depend highly on how data was collected and analysed. The reliability and validity of data is based on the data collection method implemented. In conducting research, there are various methods, techniques, approaches, processes and strategies that can used, each having their own advantages and disadvantages. Thus, it is important to carefully choose an approach and technique that is appropriate for the study. In this chapter, an attempt will be made to give a short recap of the previous chapter as well as the research design, methods of collecting data, research instrument, population and sampling technique, questionnaire administration, data gathering, processing and analysis, the research limitations, validity and reliability and ethical considerations.

3.1   RECAP

The study is aimed at finding out the Chinese model of investment in Zimbabwe and the possible impact it has on the economy. The Chinese investment model in this study takes into consideration the funding institution, the type of investment, the major sector invested in and the way the Chinese do business in Zimbabwe. The Zimbabwean economy in this study is analysed using the following variables: production, fiscal balance, tax revenue, trade balance and employment. In chapter one the researcher highlighted the main objectives of the study which are: to find out the model of Chinese investment in Zimbabwe, to examine the possible impact of Chinese investment to the Zimbabwean economy and establish whether or not the Chinese investors are thriving in a Zimbabwean turbulent environment.

From these objectives the main questions that arose are: what is the model of Chinese investment in Zimbabwe? , what is the impact of Chinese investment on the Zimbabwean economy?, whether or not the Chinese investors are thriving in a Zimbabwean turbulent business environment. On the issue of the impact of Chinese investment to the economy there are specific questions that arose in which the researcher tried to establish how Chinese investment affects the variables under study.

The previous chapter was a review of literature and various terms related to the study were defined such as a model, investment, Chinese model of investment and turbulent environment. This was done in order to provide guiding definitions of the terms. The underpinning theories on which the present research is anchored were reviewed. The literature which was reviewed shows that the area under study has been well researched. A lot has been written on Chinese investment with some authors looking at the impact it has on different economies like in Europe, Asia and Africa. There appears to be few scholarly work on the way in which Chinese do business in these economies but there is considerable scholarly work on the type of investments and the major sectors that the Chinese invest in. Therefore, the researcher is combining the type of investment, the major sector and the way the Chinese do business into one model thus, being unique compared to previous studies. From the researches done in Zimbabwe on Chinese investment, it appears that majority of scholars were adopting a qualitative approach. Also, an observation has been made that previous scholars largely depended on interviews and secondary data, hence the present research will therefore adopt the quantitative approach and depend much on primary data in order to examine the model of Chinese investment in Zimbabwe from a different perspective.

3.2 RESEARCH DESIGN

This section provides a framework of methods and techniques chosen by the researcher to combine components of the research in a reasonable manner so that the research questions will be adequately addressed. The research design consists of the research philosophy, the research approach and the research strategy which are discussed below.

3.2.1 Research Philosophy

The research philosophy relates to a system of beliefs and assumptions about the development of knowledge and the nature of that knowledge (Saunders, Lewis and Thorhill, 2007; Saunders, 2009). In carrying out research, the application of a research philosophy is very important since it shows the way in which data about a research or study should be collected and analysed (Saunders, 2009). Thus it acts as a guide in terms of how valid the elements of the research methodology will be. The three major research philosophies are, positivism, interpretivism and realism. According to (Saunders, 2009, p. 135), "Positivism relates to a philosophical stance on natural science and working with an observable social reality to produce law like generalizations". Positivist believe that knowledge is objective and quantifiable (Antwi and Kasim, 2015). This means that positivism strictly focuses on scientific methods to obtain data which is not influenced by the researcher's bias. In this regard, the researcher detaches himself and remains neutral so that he or she does not influence his findings (Saunders, 2009). The positivism philosophy as highlighted by (Saunders, 2009)allows the researcher to formulate a hypothesis either based on a theory or from existing data which has been collected on the research, the hypothesis can be tested and generalizations can be made. The advantages of using the positivism philosophy in carrying out research is that, data collected is highly reliable and can be validated, the researcher has control over the research and it is easier to carry out. However, the weakness of using this philosophy is that it restricts researcher's contributions and views on the research that is being done.

Interpretivism as the name suggests is a philosophy in which a researcher is able to interpret the behaviour and nature of human objects. Interpretive paradigm is concerned with understanding the world as it is from subjective experiences of individuals (Antwi and Kasim, 2015). The main advantage of using this philosophy is that it allows in-depth data to be collected and the researcher's contributions are considered in the research. However, there can be bias which emanates from the respondents who can change their views or attitude which affects the data in terms of reliability and validity.

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Realism strives to reconcile objectivism and subjectivism, facts and values, accurate and rigorous knowledge and different contextual experiences (Saunders, 2009). In this regard realism uses mixed method in order to solve a problem and come up with a practical solution to that problem. The major advantage of this philosophy is that it harnesses on both philosophies with the aim of practically solving the problem.

3.2.3 Research Philosophy Selection and Justification: Positivism

From the three philosophies discussed the researcher chose to use the Positivism philosophy. The justification of using this philosophy is that the researcher found it easy to check for validity and reliability of data collected for the current research, a hypothesis was formulated and would be tested to come up with generalizations and this philosophy also allows a desired level of control on the research.

3.3 RESEARCH APPROACH

The research approach is used in order to come up with an action plan for the research. There are two major approaches which are deductive and inductive. According to Saunders, Lewis and Thorhill (2007) , the deductive approach entails development of a theory, formulation of a hypothesis and designing a research strategy in order to test the hypothesis. The deductive approach is more scientific in nature and involves development of a theory that is subjected to rigorous test (Saunders, Lewis and Thorhill, 2007). On the other hand, the authors note that, the inductive approach includes collecting data, developing a theory as a result of the data collected.

3.3.1 Research Approach Selection and Justification: Deductive

The research approach that was selected in this research is the deductive approach. This is because this approach is used in line with the positivism philosophy as highlighted by Saunders, Lewis and Thorhill (2007). The deductive approach will also, be able to explain the causal relationships between Chinese model of investment and the economy. This will be measured in line with how the Chinese model of investment impacts on economic variables such as, production, trade

balance, tax revenue and employment. The deductive approach requires the researcher to be independent of the research thus utilises questionnaires as a tool for collection of data.

RESEARCH STRATERGY

3.4

A research strategy is a plan of action that the researcher uses in order, to collect data based on the philosophy and approach the researcher has chosen. The different research strategies include, experiment, survey, case study, action research, grounded theory, ethnography and archival research. The choice of research strategy according to Saunders, Lewis and Thorhill (2007) depends on the research questions and objectives, the extent of the existing knowledge, the amount of time and other resources that available for the study and the philosophical underpinnings of the study.

3.4.1 Research Strategy Selection and Justification: Survey

The research strategy that was chosen is carrying out a survey as it is the most common strategy in business management research and the strategy is also aligned to the deductive approach. The survey approach allows the researcher to collect quantitative data which can be analysed using descriptive and inferential statistics. Moreover, the data collected can be used to explain possible relationship that exists between Chinese model of investment and the variables for economic growth of Zimbabwe and to show the impact of the Chinese model of investment on the Zimbabwean economy. A survey can also

3.5

be ideal for the researcher in that, it allows sampling of population under study, thus being cost effective and less time consuming.

METHOD OF COLLECTING DATA

In collection of data a researcher can either use quantitative or qualitative method. Quantitative data is systematic data which can be measured mathematically and qualitative data is data which is generic and associated with elements that are non-quantifiable. The main advantage of using quantitative data is that there is

generation of quantifiable controlled research data which is free from bias. However, this method comes short in that, there is no in depth knowledge on the study being carried out. Unlike quantitative data, qualitative can permit in depth data to be collected and analysed but, the major weakness is that it can be biased since it deals with perceptions and feelings of the respondents. Thus qualitative method is difficult to measure validity and reliability of data. The researcher can also choose to combine quantitative and qualitative methods as a mixed method (Saunders, Lewis and Thorhill, 2007). Antwi and Kasim (2015, p. 223) highlight that, the quantitative and qualitative parts of research can be done concurrently (conducting both parts at the same time) or sequentially (conducting one part first then the second one). The main advantage of the mixed method is that it allows the researcher to be flexible.

3.5.1 Research Method Selection and Justification: Mixed Method

The method chosen by the researcher is a mixed method because this allows the researcher to harness the positives of both quantitative and qualitative data. Under mixed method the strategy that was chosen was the concurrent embedded strategy. This strategy is characterised by collection of both quantitative and qualitative data simultaneously (Creswell, 2009). Creswell (2009), highlights that, the concurrent embedded strategy has a primary method which guides the research (quantitative being the primary method in the current research) and a secondary method that presents a supporting role (qualitative data). Although the researcher is biased towards quantitative more than the qualitative method, there was need to borrow tools from the qualitative side in order to come up with the Chinese model of investment in Zimbabwe. Bias towards quantitative is possible since it is the primary method in the concurrent embedded mixed method approach, therefore quantitative data can be the form in which qualitative data builds on (Creswell, 2009). Thus mixed method was appropriate since it addressed the research questions and objectives. Furthermore, the researcher was able to gain variety of information concerning the study.

3.6   **RESEARCH INSTRUMENT**

The researcher designed a questionnaire as the tool for collecting data. In designing the questionnaire some questions were adapted from another study (Dounamba, 2016) and adjusted so as to suit the current research. Other questions were formulated by the researcher. Adapting the questionnaire and modifying it creates a more valid instrument. The questionnaire has open ended and close ended questions. In order to generate numeric data the close ended questions were used and for an in-depth knowledge and perspectives of the respondents, the open ended questions were used. The selection of a questionnaire is justifiable because of the research philosophy, approach and strategy that the researcher chose. In addition the researcher came up with open ended interview questions for the interviewees so as to get in depth data and perspectives of employees on the Chinese investors they work for. This was done since the researcher chose a mixed method approach.

3.7   **POPULATION AND SAMPLING TECHNIQUE**

This section gives an overview of the population, sample size and sampling technique used in conducting the survey. In considering the population, sample size and sampling technique attempts were made to balance between the scientific expectations and the realities of the Zimbabwean current economic conditions.

3.7.1   Population

The target population were the Chinese investors in Zimbabwe. In this particular research a Chinese investor was delineated as anyone who legally owns a business in Zimbabwe, be it a bookshop, a brick laying company or a mine etcetera. The target population was also defined in accordance with the data that was provided by Zimbabwe Investment Authority (ZIA). The ZIA authorities availed data that was from the period of 2009 to January 2019. There were 800 Chinese companies registered by ZIA within the period mentioned. Equipped with this data, the researcher was able to determine the sample size.

3.7.2 Sample Sizes

The population size was 800 Chinese investors according to the data provided by ZIA. The population was too large thus the researcher calculated the sample size using the following equation by Green (1991):

$$N > 50 + 8m$$

N is the population size

m is the measure of variables in the model

Calculation: N> 50 + 8m

$$N = 50 + 8 (5)$$

$$N = 50 + 40$$

$$N = 90$$

Thus the sample size is > 90

From the above calculations the researcher targeted a sample size of 250 participants.

3.7.3 Sampling Technique: Random Sampling

The sampling technique that the researcher used was random sampling. In this method participants were picked randomly. The researcher works at Longcheng Plaza which is a strategic place for meeting Chinese people. A lot of Chinese people from different parts of the country frequently patronise the Ivato supermarket where they get their daily Chinese supplies. Some Chinese people also have offices at this place. There are also different events like DreamStar, embassy charity events such as Cyclone Idai which attracted a lot of Chinese from different walks of life. Therefore, choosing the random sampling technique was advantageous because it gave the researcher an opportunity to meet different Chinese people staying in Zimbabwe. This

process was accomplished at a low cost since movement of the researcher was limited.

3.8   **QUESTIONNAIRE ADMINISTRATION**

The questionnaires were self-administered. The researcher physically distributed 120 questionnaires to the research participants mainly from Harare to save costs. The researcher also targeted areas where the participants normally gather such as Avondale shopping centre, Samy Levi village, Longcheng Plaza, Chinese restaurants viz Great Wall, China Gardens,Wing Wah and Shangrila. This self-administration technique was face to face with the participants. The advantage of such a method is that it allowed the researcher to gain trust from the participants. Chinese people are quite sensitive in disclosing information, thus interaction helped in creating a bond since the researcher introduced themselves and assured the participants maximum confidentiality. However some participants were unwilling to participate in this research because they felt they were being disturbed. This is because most of the Chinese people normally do their business discussions in restaurants.

A colleague also helped in the distribution of 40 of the questionnaires at her workplace where Chinese people usually conduct their business. This was helpful in terms of adherence to the random sampling method the researcher had chosen. However, the colleague was unable speak Chinese so communication became a barrier.

The researcher also administered the questionnaires through email. The questionnaire distributed through email were 80. This method of distribution was easy, fast in transmission thus it was less time consuming. However the response rate was very low, may be as a result of lack of trust and no interpersonal relationship with the researcher.

DATA GATHERING, PROCESSING AND ANALYSIS

3.9

The researcher first visited ZIA since this is where there is formal registration of Chinese investors in Zimbabwe. The ZIA authorities provided primary data of the number of Chinese investors operating in Zimbabwe since 2009 to January 2019. Some questionnaires were distributed to some of the investors with the data provided by ZIA through email. The researcher took advantage of the Confucius Institute's Chinese Bridge that was held at the University of Zimbabwe to distribute questionnaires. Interviews were carried out amongst 30 employees that work for different organisations. Amongst the 30 employees, there were 10 translators, 4 employees in management, 3 employees in administration and 13 general employees.

In analysing of qualitative data a content analysis tool was employed, whereas in analysing quantitative data a statistical tool like SPSS was employed. The researcher firstly pre-coded the data so as to assign codes to the answers provided in the questionnaire and post coded the open ended questions and the data gathered from interviews. In the analysis of data, the researcher carried out Correlation tests and Regression test so as to establish the relationship that the independent variables (production, employment. trade balance and tax revenue) share with the dependant (Chinese model of investment). Data was presented through various tables and charts.

3.10

RESEARCH LIMITATIONS

The sample size was relatively small due to high costs of distributing the questionnaires and transport costs to carry out the research. The time frame in which the research was carried out was short, this in turn affected the researcher's data collection period. Examining the nature of investment in a country like Zimbabwe should be done over a long period of time and data should be collected across different cities. Unwillingness to disclose some information was a problem. In order to address this problem, the researcher was able to obtain substantial amount of data through interviewing 30 employees from different Chinese companies.

VALIDITY AND RELIABILITY

3.11 Reliability refers to the extent to which the data collection techniques or analysis procedures will yield consistent findings (Saunders, Lewis and Thorhill, 2007). Validity in simple terms is concerned with, whether the findings are really about what they appear to be (Saunders, Lewis and Thorhill, 2007). Cronbach and Meehl (1995) came up with three types of validity procedures which are content validity, criterion related validity and construct validity. In order to check for reliability the researcher used SPSS which makes use of Cronbach's alpha.

ETHICAL CONSIDERATIONS

3.12 Issues of ethics were highly regarded by the researcher because it is the obligation of the researcher to protect the values and rights of the respondents when carrying out research. The researcher first acquired a letter from the Graduate School of Management as proof for the respondents in order to gain their trust since the study is purely academic in nature. The researcher had to seek permission through sending official letters to the relevant authorities so as to carry out the research in different institutions. For the Chinese companies that responded the researcher gave codes in analysis of data so as to protect the identity of the companies. This is important in maintaining maximum confidentiality of the respondents and the research (Saunders, 2009) Another ethical consideration was issues of maintaining professionalism during interviews and even when administering questionnaires. Thus issues to do with the dress code that is dressing formerly and appropriately and formal working hours to conduct interviews were considered. In addition the researcher avoided plagiarism and maintained ethics in the processes of collecting and analysing data.

CONCLUSION

The chapter started with a recap of the previous chapters. The recap gave a brief summary of the research objectives, questions and the research gap. From the recap an attempt was made to present the research design in which the researcher chose positivism philosophy, a deductive approach and a survey as strategy in conducting

the research. The chapter goes on to highlight the methodology chosen by the researcher which is a mixed method. The mixed method of using both quantitative and qualitative data was employed. With quantitative data being the bedrock of the study whilst qualitative enriching the study and helping to better explain Chinese model of investment in Zimbabwe. Thus using concurrent embedded strategy of the mixed method is a different and distinct method that was chosen by the researcher. A questionnaire and interview questions were structured and an account of the data gathering process, the limitations that the researcher encountered, the ethical considerations and issues of validity and reliability. The following chapter will therefore present the research findings, were the data collected is analysed.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSION

4.0 In this chapter the researcher analysed data and presented the findings from the data that was gathered through administering questionnaires and conducting interviews. The researcher first analysed quantitative data and then went on to analyse qualitative data. The chapter begins with a discussion of the response rate, goes on to present the reliability tests, descriptive statistics, correlation, regression and factor analysis.

RESPONSE RATE

4.1 The sample size was 250 participants and the researcher managed to distribute 240 questionnaires, 120 were self- administered, 40 were given to a colleague to distribute and 80 were emailed to participants. The response rate is tabulated below and indicates the number of participants who responded to the questionnaire.

Table 4.1 Response Rate

Questionnaires Distributed	Returned Questionnaires	Unusable Questionnaire	Response Rate
240	130	5	52%

The response rate is 52%, which is a fair response rate. The reason for such a response rate is that the Chinese people are a closed society thus they are not keen on answering questions or participating in research. From the 130 questionnaires that were distributed there were 5 questionnaires which were unusable as shown on the table above, this may be because some participants were making multiple entries to one question and some were simply omitting to answer important sections thereby making the questionnaire unusable.

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RELIABILITY TEST

In order to test the questionnaire for reliability the researcher used SPSS Cronbach's Alpha.

4.2 Table 4.2 Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.762	14

Table 4.2 shows a Cronbach's alpha of 0.762 in composition which means that, the questionnaire explains about 76.2% amount of variability which is reliable. Thus the instrument is reliable because it exceeds the minimum threshold of 0.7.

DESCRIPTIVE STATISTICS

4.3

The data from the questionnaire were analysed and represented in tabular form. The gender representation is highlighted below;

Table 4.3 Gender

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	24	19.2	19.2	19.2
	Male	101	80.8	80.8	100.0
	Total	125	100.0	100.0	

Table 4.3 shows that out of 125 respondent questionnaires 19.2 % were women whilst the majority of 80.8 % were males and this may be because, the males are risk takers and can invest outside their country. Cultural aspects like marriage can affect women in that, they are expected to raise the children thus this may hinder any ventures to do business outside the country. Another possible explanation is that, the Chinese society is an aging society so the women are the ones who take

care of their parents, in laws and grandparents, so the man are usually the ones who go out to work.

Table 4.4 Gender by sector

		The industry in which the business belongs to							Total
		Mining	Agriculture	Construction	Tourism	Education	Manufacturing	Other	
Gender	Female	4	1	1	4	3	3	8	24
	Male	44	11	16	7	0	13	10	101
Total		48	12	17	11	3	16	18	125

Table 4.4 shows gender by sector and majority females are in other sectors which constitutes 33% of the total female representation. The other sectors where the women are more concentrated in are industries such as, food, clothing and retail. Most males are in the mining, construction and manufacturing sectors with no males in the education sector this might be due to the fact that the males can endure the harsh environments in mines or construction sites whilst education is a safer environment for women.

The data from Table 4.3 and 4.4 highlights the dominant sectors in which the Chinese investors are operating in Zimbabwe and this is in tandem with data from ZIA presented in Table 4.5. Therefore this helps in answering the first objective of finding out the model of Chinese investment in Zimbabwe.

Table 4.5 Registered companies by Sector from ZIA

Sector	Number of Companies	Percentage
Agriculture	22	2%
Construction	43	5%
Energy	1	0%
Manufacturing	414	46%
Mining	269	30%
NULL	1	0%
Services	131	15%
Tourism	7	1%
Transport	6	1%
Grand Total	894	100%

Table 4.5 highlight the data obtained from ZIA of registered Chinese companies from 2009 to 2019, 46 % are from the manufacturing industry, 30 % are in the mining sector and the least being recorded for energy sector with 0 %. Thus according to ZIA data the sectors that the Chinese mostly invest in are manufacturing and mining.

The current data gathered from the questionnaire also highlights similar findings with 38.4% in mining, 12.8% in manufacturing and 13.6% in construction. Thus the sample size is a good representation of the major sectors that the Chinese investment is largely centred on in Zimbabwe.

In order to come up with a model of Chinese investment in Zimbabwe, the financing obtained for the investment was analysed and the data is presented below.

Table 4.6 The Financial Institution that provided loans for the investment by sector

		Sector							
		Mining	Agricu lture	Constr uction	Touris m	Educa tion	Manufa cturing	Other	Total
The Financial Institution that provided loans for the investment	Government	2	4	0	1	0	0	0	7
	Individual	4	3	0	1	1	0	10	19
	Private Companies	14	1	1	4	2	5	4	31
	China Investment	8	2	2	4	0	4	3	23
	China Development Bank(CDB)	1	1	13	0	0	1	1	17
	China Export-Import Bank(China Exim	17	1	1	0	0	5	0	24
	Local Government/Mu niciplities	2	0	0	1	0	1	0	4
Total		48	12	17	11	3	16	18	125

According to table 4.6 the observation is that, most funding came from private companies followed by China export-import bank, then China investment bank and

local government with the least. We also observe that most funding is induced in the mining sector this is because most of the Chinese investors are interested in that sector, followed by construction and manufacturing with the least being education. The Chinese investors may be interested in these sectors maybe because they can yield a high return on their investment.

There was an enquiry on whether or not the Chinese investors are making profit. This addresses questions on whether or not Chinese companies are surviving in a highly turbulent environment and the impact of Chinese model of investment on the Zimbabwean economy. The responses are shown in Table 4.7 below;

Table 4.7 Profit by sector

		Sector							Total
		Mining	Agriculture	Construction	Tourism	Education	Manufacturing	Other	
Is the company making profit?	Yes	48	12	16	10	3	15	15	119
	No	0	0	1	1	0	1	3	6
Total		48	12	17	11	3	16	18	125

According to table 4.7 we can see that most companies are making profits with only a few not making. The reason stated by most investors that are not making profit is that, they have just started their businesses. Of the 125 companies there are 119 companies which are realising their profit, which translates to 95.2%. If these Chinese companies are making profit which can simply mean that there is production in whatever sector they operate in, the investors are therefore, able to pay their employees and taxes which in turn brings about growth to the Zimbabwean economy.

The number of employees that are employed by the Chinese can suggest that the Chinese companies are alleviating problems of unemployment as shown in Table 4.8. The table highlights issues of employment by race and the position that employees occupy.

Table 4.8 Employment as per Race

	Management	Administration	Production	Sales	General Labour	Other	Total
Chinese	518	527	1084	419	1078	125	3751
Zimbabweans	174	460	5532	708	11744	125	18743

According to Table 4.8, the majority of workers are Zimbabweans that is almost 83 % and of that 63% are in general labour and 29% in production. 17 % are Chinese and of that 14% are in management. The observation is that, there seems to be more Chinese employees in management and administration than Zimbabwean employees. This may imply that decision making solely lies on the Chinese managers. If decision making solely lies with the Chinese this may mean that control of the financial aspect of the business also lies with them. Thus Chinese investors would seem to be protecting their investment through giving key positions to Chinese employees.

In a further assessment of the impact of Chinese investment on the economy, the researcher went on to analyse the correlations between the variables in order to measure the associations amongst the variables.

4.4

CORRELATION ANALYSIS

The correlations were done in order to measure the relationship between variables. This relationship is measured through showing the direction, significance and magnitude of relationship on the correlation coefficients and sig (2 tailed value). Direction simply shows whether the relationship is following a positive or negative direction, significance is shown by the significant value of p is less than 0.05. The magnitude of relationship shows the strength of the relationship that is how serious the relationship is. The magnitude can be interpreted as follows; if r= 0 then there is no relationship, r lies between 0 and 0.299 there is a weak relationship, r lies

between 0.3 and 0.499 there is a moderate relationship and when r lies on 0.5 and above, the relationship is strong.

Table 4.9 Correlation of factors affected by Chinese investment.

			Employement	Tax Rates	Trade Balance	Production
Correlations						
Spearman's rho	Employement	Correlation Coefficient	1.000	.600**	0.5*	0.2**
		Sig. (2-tailed)		0.000	.030	.000
		N	125	125	125	125
	Tax Rates	Correlation Coefficient	.600**	1.000	0.7**	0.6*
		Sig. (2-tailed)	0.000		.040	.000
		N	125	125	125	125
	Trade Balance	Correlation Coefficient	0.5*	0.7*	1.000	.900**
		Sig. (2-tailed)	.030	.040		0.000
		N	125	125	125	125
	Production	Correlation Coefficient	0.2**	0.6*	0.900**	1.000
		Sig. (2-tailed)	.000	.000	0	
		N	125	125	125	125
**. Correlation is significant at the 0.01 level (2-tailed).						

Comment

From table 4.9 we can see that there is a statistically significant, moderate positive relationship between employment and tax rates. There is a statistically significant, positive strong relationship between employment and tax rates a (r=0.600; p=0.000). This implies that an increase in employment significantly affects tax rates. There is a statistically significant, strong positive relationship between employment and trade balance (r=0.500; p=0.30). There is a statistically significant, positive weak relationship between employment and production (r=0.200; p=0.000). This implies that an increase in employment may not necessarily be an increase in production. An almost perfect positive relationship is observed between trade balance and production which then implies the higher the trade balance the higher the production. Overall there is a positive relationship between the variables, as the other variable decreases the other also decrease and as the other increase the other also increases.

REGRESSION ANALYSIS

The regression analysis assists in measuring the cause and effect relationship between the independent variables and the dependant variable. Regression analysis was done using SPSS in order to measure the impact of Chinese investment model on the Zimbabwean economy. The regression analysis also helps in coming up with an overall decision of whether to accept or reject the hypothesis and in this study the general hypothesis is, Chinese model of investment impacts positively on the Zimbabwean economy. The specific hypothesis is as follows; Hypothesis 1: There is a positive impact of employment on Chinese model of investment. Hypothesis 2: There is a positive impact of trade balance on Chinese model of investment. Hypothesis 3: There is a positive impact of production on Chinese model of investment. Hypothesis 4: There is a positive impact of tax revenue on Chinese model of investment.

The three tables in regression analysis are presented below.

Table 4.10 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.873[a]	0.761	0.749	874.779
a. Predictors: (Constant), Production, Employement, Trade Balance				

This table shows the R and the R square value, the R value represents the Spearman correlation coefficient and in this case our correlation is very positive (0.873) and the R square value indicates how much of the total variation in the dependent variable is explained by the independent variables and in this case almost 76% amount of variation is explained which implies a good model.

Table 4.11 Anova

The Anova table reports how well the fitted model predicts the dependent variable.

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3317342.370	3	1105780.79	1049.992	0.000[b]
	Residual	127429.065	121	1053.132769		
	Total	3444771.435	124			
a. Dependent Variable: Investment						
b. Predictors: (Constant), Production, Employement, Trade Balance						

The Anova table above reports that the regression equation fitted reports the data predicts the Chinese investment significantly well this is shown by a p -value which is less than 0.05.

Table 4.12 Coefficients

The Coefficients table is used when we want to determine the value of dependent variable based on the independent variables. In regression coefficients the researcher used the unstandardized beta coefficients to see the impact of each variable on Chinese model of investment. The decision of whether to accept or reject the hypothesis depends on the p-value, a p value of 0.05 indicates that you can accept the hypothesis and p value of more than 0.05 you reject the hypothesis. The Beta values can be positively or negatively impacting on the dependent variable.

Coefficients[a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	.694	0.074		3.856	0.000
	Employement	.035	0.002	.703	5.25	0.000
	Trade Balance	1.101	1.023	-2.542	7.985	0.041
	Production	2.124	0.000	3.261	4.607	0.001
a. Dependent Variable: Investment						

Comment

From the Coefficients table, it can be noted that, employment has a statistically significant positive impact on Chinese model of investment as given by (β = 0.035; p< 0.05). Therefore we accept hypothesis 1. Trade balance has a statistically significant positive impact on Chinese model of investment as given by (β = 1.101; p<0.05).

Therefore we accept the hypothesis 2. Production has a statistically significant positive impact on Chinese model of investment as given by (β = 2.124; p< 0.05. Therefore we accept the hypothesis 3. From the output shown in Table 4.11 above the tax rates were obliterated from the model since they were statistically insignificant.

Overall Decision

We fully accept the hypothesis that the Chinese model of investment impacts positively on the Zimbabwean economy. This is because we accepted the three hypothesis H1, H2 and H3.

Final Model

Y=0.694+ 0.035x + 1.101w + 2.124 z

where Y is the Chinese model of investment which is the dependent variable, x is the number of employees, w is trade balance and z represents production. We can see from the table that all our independent variables are significant at 5% level of significance. From the equation we can deduce that a unit increase in the number of employees improves on the Chinese model of investment by 0.035, but has a very low positive impact in enhancing the Chinese model of investment. A unit increase in trade balance increases the likelihood of Chinese investment by 1.101 and finally a unit increase in production doubles the chances of Chinese investment. This can highlight that if there is increasing production, the Chinese investors are able to make profits and get a return on their investment.

In an effort to understand whether or not the Chinese are surviving in a turbulent Zimbabwean business environment, there are some factors that were considered. The major factors that are affecting Chinese investment in Zimbabwe are presented in the table below.

Table 4.13 Factors affecting Chinese Investment

Satisfaction	Labour	Trans port	Raw Materials	Level of Compet ition	Developed Human Resources	Political Stability	Return on Investm nt	Tax Rates
Very High	22%	21%	9%	10%	18%	6%	21%	14%
High	52%	50%	45%	55%	53%	27%	46%	58%
Moderate	26%	29%	43%	30%	27%	51%	28%	27%
Low	1%	1%	3%	5%	2%	16%	5%	0%
Grand Total	100%	100%	100%	100%	100%	100%	100%	100%

According to Table 4.13, 52 % of the respondents cited that high labour costs are a major setback which is faced by Chinese investors ,50% cited high transport costs, 58% cited high tax rates and 55% cited high level of competition are also significant factors on `Chinese investors. Zimbabwe is highly competitive with a ranking of 128 out of 140 in the 2018 Global Competitiveness report of the World Economic Forum, thus these observations from Chinese investors are true.

The researcher went on to do factor analysis in order to reduce the variables affecting Chinese investment and extracting the maximum common variables.

FACTOR ANALYSIS

In conducting the factor analysis the factors in table 4.13 were considered with the exception of tax rates since it already shows that it has the highest impact on Chinese investment.

4.6

Table 4.14 Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.586	26.435	26.435	1.586	26.435	26.435
2	1.142	19.026	45.461	1.142	19.026	45.461
3	1.067	17.791	63.252	1.067	17.791	63.252
4	.875	14.584	77.836			
5	.725	12.080	89.915			
6	.605	10.085	100.000			

Extraction Method: Principal Component Analysis.

The observation from the 3 components or factors extracted by SPSS explain 63 % total variability or variance in our data which is good. From the table above, we can see that of the 3 components of factors extracted, transport costs, labour costs and raw material costs are having higher loadings above 0.5 which shows that those factors are the dominant ones in determining factors affecting Chinese investment.

4.7

QUALITATIVE DATA ANALYSIS

This section presents the data analysed from interviews carried out by the researcher. The researcher chose to use a mixed method approach so as to get a better understanding of the phenomenon.

The researcher interviewed different people from different organisations so as to get reliable information pertaining Chinese investment in Zimbabwe. The participants

hold different positions in their companies as tabulated in Table 4.15. Interviewing people with different positions helped the researcher to obtain varying views and perspectives from the research participants.

Code Name	Position Held	Total	Gender	
			Males	Females
A-J	Translators	10	5	5
K-N	Managers	4	3	1
O-Q	Administration	3	0	3
R1-R13	General Employees	13	8	5
Grand Total		**30**	**16**	**14**

Table 4.15 List of Participants

From the table there are 30 participants, with majority of participants being males. This may be because the target participants were mainly from mines and construction which are male dominated fields. The highest participants came from general employees because general employees were easy to get hold of and were flexible in terms of time for conducting the interviews.

DATA FRAMING AND ANALYSIS

4.8

The interview questions were divided into two, the first set of questions were general background questions. These were formulated in order to establish patterns amongst the interviewees and to understand the general background data of the participants so as to extract reliable data. The second set of questions were specific questions on Chinese investment. These questions were formulated in order for the researcher to have a deeper insight into the views and perceptions of interviewees.

Q1: How long have you been working for the Chinese people or for the Chinese Company?

All of the participants answered this question, from the responses there were 10 employees who had worked for more than 6 years, 8 employees who had worked for 3-5 years and the rest of the employees worked less than 2 years. The differences in number of years worked helps in understanding the views that the respondents share about their employer.

Q2: What is the core business of the Chinese company you work for?

The responses indicate that many translators, some managers and some general employees are working for Chinese who are into mining, manufacturing and construction. Administrator O works for a tourism company whist P, Q and a manager N work for large retail company.

Q3: What is your position in the company?

From the 30 employees the researcher interviewed there are only 4 managers and 3 administrators. This may possibly show that there is less representation of Zimbabweans who work for Chinese companies in key post thus they have less control when it comes to decision making. Some translators showed that although they were initially employed with the post of being translators, they however go on to work as administrators and in some cases drivers. According to respondent F, "l am a translator on paper but l am currently the company's secretary, the human resources officer and sometimes l drive my boss around where he needs to go". Respondent F

clearly showed that he was unhappy because of doing so much which is not part of the initial agreement but he needed the job as it is his only source of income. The researcher observed that the respondent highlighted trivial issues of Human Resources however they are not pertinent to the present study.

Q4: Are you satisfied with your salary? Why are you satisfied or why are you not satisfied?

Almost all the participants were not satisfied except for some seasoned translators and those in management who were satisfied. They indicated that the salary was good and on top of it they were being given allowances. The reason for lack of satisfaction for the others seemed to be very low salaries which is not enough to cater for basic needs of the employee. This may imply that the Chinese companies give poor salaries to their employees. In some companies it is possible that there is less representation of Zimbabweans in management posts, it might be hard for employees to air their grievances and demand for a raise of their salary.

Question 5 to 8 were designed to extract data regarding the number of Zimbabwean and Chinese workers in the company. From these numbers, there was an attempt to establish the number of Chinese in management and Zimbabweans in management. The answers from the 30 respondents show that there are more Zimbabwean employees than Chinese employees, However the Chinese employees are more in management than the Zimbabwean employees. This possibly shows that Chinese investors want to protect their investment and are not keen on giving control of their investment to Zimbabwean employees.

Q9: Do you have an idea on Chinese worker's salary that is how they are paid and an estimation of the salary they are paid?

There were very few participants who knew the salary of the Chinese employees. These respondents revealed that, Chinese employees are provided with a very low local allowance of 300 Bond since they are provided with food and housing allowance. On top of the Bond payment, they are also paid in foreign currency of $50-$350 USD and some in their Chinese Yuan. The majority of the participants did

not know how much their Chinese counterparts earn in their companies. This may suggest the secretive nature of the Chinese and can also raise questions on whether or not the Chinese companies pay their payee tax. For the Chinese employees that earn their salary in USD or Yuan it is highly likely that there is no payee tax that goes to the government of Zimbabwe.

Q10: <u>Do you think the Chinese company you are working for is making profit?</u>

The response to this question was yes for most of the respondents, only 4 participants noted that the company was not making profit as it was in its inception stage and had not yet started to realise its profits. In an environment where profits are being made there should be a substantial amount of development that is seen. For instance in Zvishavane, there is Mimosa which is a platinum mining company , which has brought substantial development to Zvishavane town, the local schools and general improvement of livelihoods of the community. They build a medium to low density housing area for their employees. This is the scenario that is expected from investors especially in a developing country like Zimbabwe. However, this is not the case that is seen from the majority of Chinese companies in Zimbabwe. The question is, where are the profits going? Are they being ploughed back into the economy? If so are there any notable projects or areas that have benefited from those profits? One can assume that maybe the profits are going back to China and this is why China's economy is continually growing.

Q11: <u>In your views is Chinese investment helping to solve the problems that the country is faced with for instance problems such as high levels of unemployment, high levels of poverty etcetera?</u>

Most of the participants who have worked for Chinese companies for a long period indicated that, Chinese investment was not helping in any way. With respondent H highlighting that "Chinese investment is just like a mirage, it is not the solution to alleviate the problems the country is facing". She went on to show that it is an illusion to those that have especially worked for years hoping to better their lives but somehow they cannot. Respondent H acknowledged that, unemployment levels can be reduced but improvement of livelihoods is not attained easily for those that are

employed by Chinese companies. In this regard, one may say that Chinese investment cannot solve all of the problems the country is facing but it can certainly help with other challenges like creation of employment. If such investment had not come into Zimbabwe, then all those people who are possibly employed by the Chinese would likely be unemployed.

Q12: Looking at the way your company operates are there any negative things that you have noticed that are not being addressed?

A number of participants were not willing to discuss this issue however, they were a few participants who raised a lot of issues. Some issues that might not necessarily be linked to the current study like illegal activities in which some of the companies are involved in. This might need further research of an expose on Chinese companies' illegal activities in Zimbabwe. However the most common response was that of harsh working conditions and negative impact of Chinese operations on the environment. The issue of the environment is also not in the scope of this research but, it is the most critical aspect of development worth further exploration. The issue of the environment was mostly mentioned by those participants who were working for the Chinese in the mining and manufacturing (brick manufacturing) companies. From the observations of the responses, it can be concluded that, most Chinese companies are after profit maximisation without paying attention to their workforce and the environment they are operating in.

Q13: Generally what do you think about Chinese investment in Zimbabwe?

This question was meant to extract what the people think about Chinese investment and the responses were very interesting. There were different views which came out from the respondents. Some thought that Chinese investment is not enough for Zimbabwe, some feared that Chinese investors would outcompete the local companies, thereby leading to closure of local companies, some thought that continual extraction of minerals would not benefit the country's economy. Others showed that Chinese investment is not bringing any meaningful development to the country in that, Zimbabwean workers are earning a very low income, they do not seem to be concerned about the general outlook of the environment they operate it,

they are concerned about attracting political attention so as to get recognition From the responses there are indications that there are fears from the respondents since they do not fully understand Chinese investment and the intentions that Chinese have towards Zimbabwe. However, there are others who had positive remarks in that Chinese investment was creating employment and they cited a number of successful projects of Chinese companies such as the construction of the Victoria Falls airport.

DISCUSSION OF FINDINGS

4.9 From the ongoing analysis of both quantitative and qualitative data there were certain observations which are worth noting. The Chinese have a stable source of income from the mother country in which to fund their investment mostly from private Chinese companies and China Import Export Bank. They occupy the key sectors of the economy that are mining, construction and manufacturing. They employ many Zimbabweans which are mostly in production and general hand positions. The model of Chinese investment in Zimbabwe can be mirrored with the following flow diagram.

Figure 2 Chinese Model of Investment
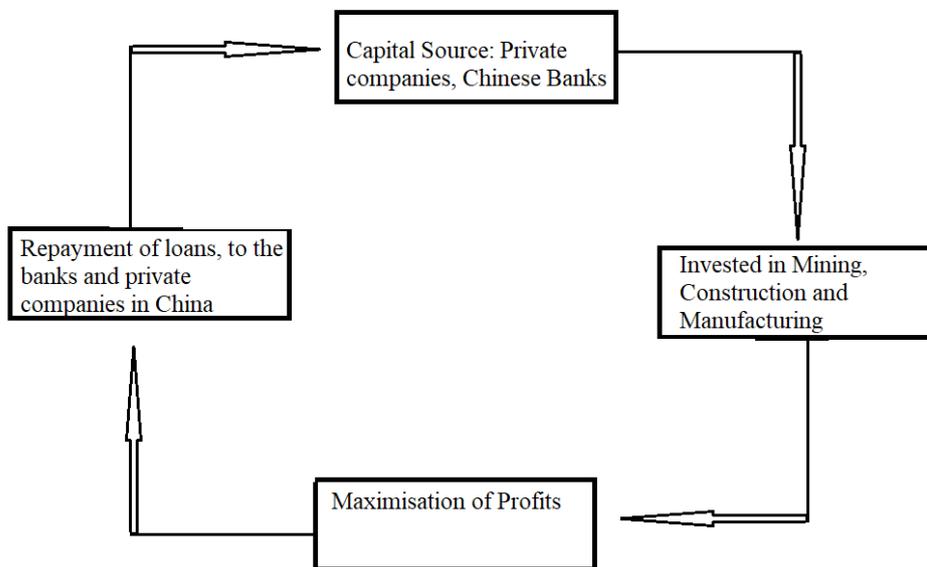
According to Fig 4.1, Chinese investors have an obligation to repay their loans. In an effort to repay their loans they may use every possible method so as to lower costs and realise substantial maximum possible profits. These methods might

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include: offering low salaries and taking advantage of any loopholes in the Zimbabwean financial systems. This might explain the paying of Chinese employees in foreign currency. There is likelihood that if Chinese employees are paid in foreign currency there are no taxes that the government is collecting which has impact on government revenue. Based on these assumptions, they might explain the reason why Chinese companies in Zimbabwe are not able to bring tangible and sustainable development to Zimbabwe.

Chinese investment is impacting positively on employment since it was found that almost 83% employed in Chinese companies are Zimbabweans. However from the data gathered from interviews most employees are given low wages. Although there is creation of employment but, the remuneration seems to be low for most Zimbabwean employees which can lead to unsatisfied and disgruntled employees. The low salaries can however be explained by the current Zimbabwean environment in which employees are earning the Bond note which may be in short supply and seems to be weak against the US Dollar. Thus the Chinese are simply taking advantage of the current crisis that the nation of Zimbabwe is facing.

The Chinese investment in Zimbabwe is not only creating jobs but, it also allows for production to take place. There is ample production which is also indicated by almost 95.2% of the Chinese companies under investigation realising profits. Production in the major three sectors shown in Fig 4.1 may encourage the growth of the economy. With the use of correlation tests there was an observation that the higher the production the higher the trade balance. This highlights that these variables have a positive relationship and one variable can affect the other. From the regression test a unit increase in the independent variables (employment, trade balance and production) can cause an increase in Chinese investment. Thus Chinese investment is seen to positively impact the Zimbabwean economy. The tax revenue were not accounted as hoped by the researcher mainly because the Zimbabwe Revenue authorities denied the researcher access for an interview, maybe to protect confidentiality of the Chinese investors operating in Zimbabwe.

In an attempt to establish whether or not Chinese investors are thriving in a turbulent Zimbabwean business environment, there were factors which were identified. These factors were presented in Table 4.9, in which four of the factors emerged to be the ones which mostly affect Chinese investors in Zimbabwe. These factors include; high tax rates, high labour costs, high transport costs and high levels of competition. Despite these setbacks Chinese investors seem to be making profit and their companies are still operating.

From the questionnaires the Chinese investors indicated that when they arrive in Zimbabwe they mostly stay at a friend's house or in the Chinese hotels with very few staying in Zimbabwean Hotels. This may highlight the issue of saving costs on the investors' part. However it may also be an indication of the close knit society which does not permit their money to circulate in other spheres except their own. Majority of participants also indicated that they normally buy their equipment in China and they do business with Chinese businesses in Zimbabwe. These findings may further show that, there is circulation of funds amongst the Chinese and to some extent the economy of Zimbabwe does not benefit.

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

4.10   Chinese investors still want to come to Zimbabwe because of its attractiveness.

   CONCLUSION

This chapter was mainly focused on presentation of data that was gathered from questionnaires and from interviews conducted. Descriptive data was mainly presented in a tabular form where correlation test and factor analysis was done. For the data gathered through interviews, content analysis was performed on each question to establish a pattern. Since the researcher was using a mixed approach the discussion of findings was combined and a model of Chinese investment was

proposed. The following chapter presents conclusions, recommendations and areas of further research.

CHAPTER FIVE

INTRODUCTION

5.0 The present research which used a mixed method of (both quantitative and qualitative data) depended much on the use of questionnaire and interviews as research tools in order to understand the Chinese model of investment in Zimbabwe. After the data collection, data was analysed using SPSS and conclusions were drawn. In an effort to summarise the research findings, the present chapter highlights issues such as the contribution made by the research, the achievement of the research aim and objectives, proffers recommendations and further research areas.

ACHIEVEMENT OF RESEARCH AIM AND OBJECTIVES

5.1 The research was aimed at finding out the Chinese model of investment in Zimbabwe and the possible impact it has on the economy. From the data that was analysed it was found that the model of investment used by the Chinese investors in Zimbabwe is different from the one used in the European countries, however it is more or less similar to the one used in Angola as discussed in chapter two. The majority of Chinese investors obtain loans or funding from the Chinese government, and when they come to Zimbabwe they ensure that fewer local employees are in the management system of the companies, much of the profits they get in Zimbabwe are then returned to China as repayments of the loans. This model gives Chinese investors more power and control over their companies and leaves locals with less decision making powers. Unlike in the Europe where the local people do have more control over the Chinese investment, in Zimbabwe local people are mainly manual labours who are paid meagre salaries, hence making it difficult to return the profits made.

From the data analysed through regression analysis there was the overall decision to accept the hypothesis that the Chinese model of investment positively impacts on the Zimbabwean economy. The three variables of employment, production and trade balance are important when Chinese business people are investing in

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Zimbabwe. This is because of the relationship that each of these variables share with the Chinese model of investment.

While it is apparent that the Chinese investment in Zimbabwe is bringing employment opportunities for a number of unemployed local Zimbabweans, there is need to critically look at the employment model used by the Chinese investors. In this regard, the model of Chinese investment is likely to have negative impact to the economy of Zimbabwe because it does not empower the locals to be their own bosses, rather it keeps the local people as labourers while Chinese investors continue to be richer and richer. The employee structure observed from the questionnaire survey showed that all critical positions in Chinese companies were held by Chinese people while the locals are mainly employed as general labourers. While it might be argued that Chinese investment in Zimbabwe is bringing about employment opportunities, it is important to note that the employment given is in one way or the other structured in such a way that the Chinese investor benefit more while the locals remain poor yet they are the ones who are mainly in production.

Also, the salary payment model used by Chinese employers shows that the Zimbabwean government is probably losing quite a lot of revenue. From the interviews which were carried out with local employees it was discovered that Chinese employees working in Zimbabwe are given allowances and their salaries are paid in their home country. It was also noted that their salary scales are confidential payable when these Chinese return home, this implies that the salaries for these Chinese workers in Zimbabwe are not locally taxed. This is a huge loss to the Zimbabwean government.

From the general questions which were raised in the questionnaires distributed among the Chinese investors, it was also observed that when Chinese people come to Zimbabwe they normally stay with their Chinese friends who are already in Zimbabwe. This implies that a lot of money which could have been paid to hotels is lost back to the Chinese people already in Zimbabwe.

Based on the data that was analysed, it was also observed that Chinese investors in Zimbabwe are thriving in Zimbabwe despite the turbulent business environment. Some of the reasons why they are thriving include the availability of funding from the Chinese government and Chinese financial institution. This is also complimented by the availability of cheap equipment which they normally buy from China and most of the Chinese investors do business amongst themselves thereby creating a pseudo economy. The term pseudo economy in this particular research is used to refer to a situation whereby the Chinese business community runs a system that is parallel to the local normal system. For example they have access to foreign currency and local currency within their own community. They have their own Chinese website where they update each other on issues such as prices, political situation, exchange rates and salary rates etcetera.

Also a number of Chinese investors have access to foreign currency in their country which they in turn invest in areas such as mining, agriculture and manufacturing sector. In these areas they employ more locals in the production areas where the locals are paid little and high salary positions are given to the Chinese individuals who are also in turn paid in China instead of local currency thus successfully evading high costs that emanate from taxation. Although most Chinese investors indicated in the questionnaire that there are high labour cost which they incur when operating their businesses, but, from the interviews the Zimbabwean employees are telling a different story of being underpaid. The reasons cited above probably answers the question why Chinese companies continue to flourish in Zimbabwe while other companies are streaming down operations or eventually closing down.

5.2

CONCLUSIONS AND OBSERVATIONS

Some of the issues which were raised by this research include the following; Is Chinese investment addressing problems such as high levels of unemployment, shortage of foreign currency, liquidity shortages, industrial stagnation, high domestic and foreign debt and high unemployment rates especially amongst young people, poor infrastructure outdated technology. The results from the research show

that Chinese investment is partially addressing some of the problems above. The researcher therefore made the following conclusions;

a) Chinese investment as claimed by a number of authors (Dadvar, 2016; Zhang and Kangombe, 2016; Brautigam, Xiaoyang and Xia, 2018) has positive implications on the host country. In this research it was noted that Chinese investment is bringing the much needed foreign currency and it is creating job opportunities. However, the major observation that was made is that, the kind of employment that is offered to the Zimbabwean locals seem to be meagre jobs in which they earn very little salaries. Also the foreign currency that they bring in seems to be circulating within their own community. For instance most Chinese investors indicated that they buy equipment from China and do business with other Chinese companies in Zimbabwe.

b) There is also revival of the industry since there are quite a number of Chinese investors who are investing in the manufacturing sector. This means that there is production which can ultimately lead to economic growth.

c) There is also an observation that was made in terms of improvement of infrastructure. For instance the construction of the Victoria Falls airport and Longcheng Plaza is one of the major milestones in terms of developing Zimbabwe's infrastructure.

d) In terms of tax revenue, the presence of Chinese investors in Zimbabwe means that they are contributing to the government's revenue through paying income tax as well as other taxes. However, it was noted that some of the Chinese employees' salaries are not paid locally which implies that they do not contribute their payee tax. This is a major concern since the Zimbabwean government might be losing a lot of revenue.

f) Based on the survey the Chinese investors indicated that Chinese investment is likely to have a positive impact on trade balance. From the data analyses it has

already been observed that there is positive relationship between trade balance and production this then implies that higher the production the higher the trade balance.

CONTRIBUTION

This section highlights the theoretical, methodological and empirical contributions that this research has made.

5.3

5.3.1 Theoretical Contribution

This study adds to the large body of knowledge on international investment particularly Chinese investment. Studies of Chinese investment are explored by different scholars in different ways, the distinctiveness of this study is that it has made an inquiry into the way Chinese business operate and has come up with a model of Chinese investment in Zimbabwe. This model can be also used as a measuring tool for conducting similar researches in other African countries. Therefore, this seems to be the major theoretical contribution of this study.

5.3.2 Methodological Contribution

The mixed method of using both qualitative and quantitative data allows the researcher to get access to more information. The Chinese are a closed society therefore, using different tools of collecting data provides valid and reliable data. Thus the researcher highly recommends this method.

5.3.3 Empirical Contributions

The present research made positive contributions in the following areas; it brought out the loopholes in the Zimbabwean financial systems. For instance, issues of tax evasion, as well as the employment structure requires government's intervention. There is need to have policies on foreign investors. This contribution can be also used beyond the Zimbabwean borders. The same problems that are facing Zimbabwe are also likely to be faced by other African countries.

RECOMMENDATIONS

5.4 From the regression analyses in chapter four, the Adjusted R Square = 0.749 which is 74.9% and the remainder is 25.1% variance. Further studies should be conducted to investigate the remaining 25.1% variability and to investigate other factors which may be contributing to that value.

POLICY RECOMMENDATIONS

5.5 Based on the research findings the researcher would like to make a few recommendations as far as policy making is concerned.

a) Accommodation policies of foreigners

There should be a policy on where foreigners should stay when they visit the country for the first time. This helps the government in terms of tracking and monitoring their activities in the country. For example, in China, all foreigners are required to stay in a hotel which should be a three star and above. This system is linked with the immigration offices so as to track the check in and check out days for foreigners. As a result it is very difficult for a foreigner to overstay without being noticed by the immigration officers. In Zimbabwe at the moment Chinese people can stay at a Chinese friend's house or company house without any form of tracking or monitoring on the part of the immigration officers. Such a policy will not only help the immigration to monitor and track foreigners but it will boost revenue for hotels.

b) Taxation Policy on foreign employees

From our research, a lot of Chinese employees are given allowances in Zimbabwe and paid salaries in China. This directly affects income revenue in Zimbabwe since there is no payee tax going to the Zimbabwe Revenue Authority (ZIMRA). There should be a policy that regulates locally employed foreigners whose remuneration is given outside

the country. Any foreigner who is employed should pay a certain amount of tax which should encourage employment of more local Zimbabweans rather than foreigners.

c) Government should develop policies that empower the Zimbabwean local people to invest in their own country rather than depend on investment from outside. This probably applies to other African countries as well.

GENERALISATION OF FINDINGS

5.6

The Chinese model of investment in Zimbabwe is anchored on the Beijing Consensus model which puts emphasis on non-interference on the local politics. However, since local political and economic conditions directly affect the way people do business, the Chinese investors in Zimbabwe have developed their own internal system in order to protect their investment. This explains why despite the fall of big local and international companies in Zimbabwe Chinese companies are still flourishing.

Based on the analysis of the research findings it is also possible to conclude that whether Chinese investment positively or negatively impacts the Zimbabwean economy heavily depends on the political situation at any given epoch. It seems like the political instability in the country directly impacts the Zimbabwean economy. This explains why Chinese investment is bringing positive results in countries such as Tanzania and Ethiopia while in Zimbabwe the economy continues to fall. During the inclusive government (2009 -2013) the Zimbabwean economy made positive growth in terms of GDP because of political stability. It can therefore be concluded that Zimbabwe's economic woes probably do not require any presence of Chinese investors or any other outside investors, rather it could be an internal problem which requires the political parties to work together to create a conducive environment for both local and foreign direct investment.

Lack of political stability gives a breeding ground for failed foreign investment. In the case of Chinese investment in Zimbabwe, there are two possible explanations

why the Chinese continue to survive despite the current economy conditions. Firstly, there is possibility that Chinese investors who are funded by the Chinese financial institutions are taking advantage of the local liquidity challenges and occupy key sectors waiting for such a time when the business environment will be stable. Secondly, due to the kind of networking that exists amongst the Chinese companies, it is possible that the Chinese investors are making huge profits which are not declared and these profits are secretly smuggled back to China.

RESEARCH LIMITATIONS

5.7   The present research was limited in terms of time, resources and scope. A research of this nature requires a longer time frame in order to come up with valid analyses of Chinese investment. The present research was done within a period of six months. The researcher was also affected by the lack of resources to cover a bigger sample size and the fact that the Chinese are a closed society, it was difficult to access information. For example it was difficult to access information with regards to the salaries of top management and other Chinese workers. However the researcher attempted to overcome some of these limitations. Through the use of the mixed method approach, the researcher obtained relevantly useful information from local workers in Chinese companies.

5.8

AREAS OF FURTHER RESEARCH

Similar researches to be done throughout Africa in order to establish the Chinese models of investment. This will aid in finding out whether there are similarities that exist. Apart from the above the above there is need to investigate the contributions that Chinese investment is bringing to the economies of African countries using quantitative method to further determine whether there is a win-win situation between China and Africa. Furthermore there is need to carry out a comparative research between the Chinese model of investment in Europe and in Africa, this will probably provide an insight on how best African countries can moderate Chinese investment for a win –win situation. In Zimbabwe, further

research can be done on the employment structure of Chinese companies since alleviation of poverty is not a mere issue of just getting employed but getting meaningful remuneration. There is also need to carry research on measuring employee satisfaction in Chinese organisations in Zimbabwe.

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APPENDIX A: LETTER TO RESPONDANTS
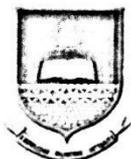
GRADUATE SCHOOL OF MANAGEMENT

UNIVERSITY OF ZIMBABWE

TRLP Building
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Tel: 263-0242- 333521/2

29th August 2019

TO WHOM IT MAY CONCERN

Dear Sir/Madam

RE: ACADEMIC RESEARCH LETTER FOR MS SHARON MUSHANGWE (R062890D)

This letter serves to confirm that Ms Mushangwe is a bona fide Master of Business Administration (MBA) student at the Graduate School of Management (GSM), University of Zimbabwe (UZ). She is carrying out a research in partial fulfillment of the requirements of the MBA degree programme.

We kindly request you to provide her with the information she needs to complete her research. Please note that only aggregated data will be used in the final analysis. Please also note that the Graduate School of Management upholds high levels of confidentiality and ethical standards in conducting research, and therefore, the information that you provide will be used for academic purposes only and will not be disclosed to third parties.

Yours faithfully.

GRADUATE SCHOOL OF MANAGEMENT UNIVERSITY OF ZIMBABWE

DR W. P. MKUMBUZI
DIRECTOR, GRADUATE SCHOOL OF MANAGEMENT
/fg

APPENDIX B: QUESTIONNAIRE

问卷调查 QUESTIONNAIRE

第一部分 SECTION A

公司名称 Name of Company   **………………………………………………………**

企业性质 Legal Status (Ownership) *(请打勾 Please tick the box)*

1. 独资经营 Sole Trader Company ☐

2. 合伙企业 Partnership (Joint Venture) Company ☐

3. 有限合伙公司 Limited Partnership Company ☐

4. 有限责任公司 Limited Liability Company ☐

您在津巴布韦经营的时间 The number of years in Zimbabwe

1-2	2-4	4-6	6-8	8-10	10+

性别 Sex: 女 Female ☐   男 Male ☐

第二部分 SECTION B

您的公司属于哪方面的行业？What industry does your business belong to? *(请您打勾 Please tick the box)*

Mining 矿业   Agriculture 农业   Construction 建设

Education 教育   Manufacturing 生产   Tourism 旅游

其它（请解释）Others
Specify ………………………………………………………………

您的投资经费由哪些金融机构提供的 What is the financial institution that provided you with the funds or loan for your investment?

Government 政府   Individual 个人   Private Companies/ Institutions 私人公司

China Investment Corporation (CIC) 中国投资有限责任公司   China Development Bank (CDB) 中国开发银行

China Export- Import Bank (China Exim Bank) 中国进出口银行   Local Government/ Municipalities 地方政府/市政当局

其它（请解释）Others Specify

………………………..…………………….………………………..…………………………

您的生意现在有利润吗？Is your company making profit?

对 Yes☐　　不 No　　☐

大概一年内能达到多少？If Yes, can you cite an estimation of your **Total Sales** per year…………………………………………………………………………………………..

如果没有利润请说明原因为什么没有利润 If No, can you cite the reason(s) why?

i　...

ii　...

iii　...

iv　...

v　...

第三部分 SECTION C

请您选 A, B, C, D, 或 EThe respondent is required to tick in ANY ONE of the box,

A= 非常同意 Very Strongly Agree, B=同意 Agree, C= 无意见 No Comment, D= 不同意 Disagree, E= 非常不同意 Strongly Disagree

	问题或其陈述Question or Statement	A	B	C	D	E
1	中国投资将使津巴布韦的经济达到所Chinese investment to Zimbabwe will result in desired economic growth?					
2	中国投资者地投资模式与津巴布韦经济There is a strong relationship between the Chinese model of investment and the economy.					
3	中国投资将增加津巴布韦的经济发展The increased inflow of Chinese investment will enhance economic growth in Zimbabwe					
4	不足够的中国投资将影响津巴布韦的经济Insufficient Chinese investment can create a strong block against the economy of Zimbabwe					
5	中国投资的增加将促进中津技术转移以提高津巴布韦生产力Increased inflow of Chinese investment can enhance technology transfer to Zimbabwe that will contribute to maximising economic productivity					
6	中国投资的增加将促进中津技术转移以提高津巴布韦国家生产总值Increased inflow of Chinese investment can enhance technology transfer to Zimbabwe that will contribute GDP					

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	growth as well as economic growth of the country					
7	中国投资的增加将提高津巴布韦人的技能High inflow of Chinese investment in Zimbabwe can maximise the skills					
8	中国投资的增加将提高津巴布韦工作人员的生产力High inflow of Chinese investment in Zimbabwe can maximise productivity of its workforce					
9	中国投资在津巴布韦将促进津巴布韦经济的全球化 Enhanced Chinese investment can strengthen the economic growth of Zimbabwe by enhancing global integration of the economy					
10	中国投资在津巴布韦将解决贸易不平衡的问题Enhanced Chinese investment can strengthen the economic growth of Zimbabwe by reducing the trade imbalance of the country.					
11	中国投资将增加津巴布韦的出口并促进预期的增长？Higher inflow of Chinese investment can maximise the export volume to ensure desired growth in Zimbabwe					
12	增加中国投资将使津巴布韦的进口量降低并促进预期的增长？Higher inflow of Chinese investment can replace import volume to ensure desired growth in Zimbabwe					
13	您是否同意中国投资在津巴布韦将促进当地企业也竞争力并改变当地与国外企业的经营方式？Do you agree that enhanced Chinese investment can actively contribute on economic growth of Zimbabwe by encouraging constructive competition between local and international firms as well as maximising the capacity and reformation of domestic firms and international business entities?					

14. 中国企业怎么在津巴布韦的不稳定经济环境下生存下来 To assess whether or not Chinese businesses are surviving in a turbulent Zimbabwean environment

FACTORS 经济因素	A 非常高 Very High	B 高 High	C 一般 Moderate	D 很低 Very Low
劳工费 LABOUR COSTS				
运输费 TRANSPORTATION COSTS				
材料成本 RAW MATERIAL COST				
竞争程度 LEVEL OF COMPETTIION				
津巴布韦人力资源 DEVELOPED HUMAN RESOURCES AVAILABLE IN ZIMBABWE				
政治稳定性 POLITICAL STABILITY				
投资回报率 RETURN ON INVESTMENT				
税率 TAX RATES				

第四部分 SECTION D

您有多少个中国的工作人员？How many Chinese Employees do you have? ....其中每部门有多少个？Of these Chinese employees, how many are in:

高层管理 Management ...., 行政 Administration.................., 生产 Production floor.................销售 Sales.................,普通劳动工 General labour ...., 其它（请解释）Other (Specificy)............................

其中多少个是当地人？How many Zimbabwean Employees do you have? **…………………………...**

Of these Zimbabwean employees, how many are in:

高层管理 Management ...., 行政 Administration.................., 生产 Production floor..........

销售 Sales.................,普通劳动工 General labour ...., 其它（请解释）Other (Specificy)............................

您的设备是从国外进口来的吗？Do you import equipment? 是 Yes ☐   否 No ☐

如果是进口的话，是从哪个国家购买的？If Yes, which country? **……………………………………………………………………….**

从哪些公司购买的？Specifically which company? **…………………………………………………**

您在津巴布韦与其他中国的企业做生意吗？Do you do business with other Chinese Companies in Zimbabwe?

是 Yes   ☐   否 No ☐

如果您的答案是"是"的话请列出其中五个公司经常与您的公司做生意 If the answer is Yes, to the immediate above, list at most the top five such companies?

    i   **.**...

    ii   ....

    iii ....

    iv   ....

    v   ....

请列出您为什么决定投资到津巴布韦？Provide at most five major reasons why you choose to invest in Zimbabwe?

    i   **.**...

    ii   ....

    iii ....

    iv   ....

    v   ....

您第一次到津巴布韦来您当时住哪个酒店？The first time you came to Zimbabwe which Hotel did you stay in?

....83...

您一般在哪里购买生活日用品？Where do you normally buy your monthly supplies/groceries?

....

您一般在哪些饭馆吃饭？List at most five eating places or restaurant you normally prefer having your food?

i   . ...

ii   ....

iii   ....

iv   ....

v   ....

THANK YOU!!!

谢谢您！！

APPENDIX C: INTERVIEW QUESTIONS

INTERVIEW QUESTIONS

Q1: How long have you been working for the Chinese people or for the Chinese Company

Q2: What is the core business of the Chinese company you work for?

Q3: What is your position in the company?

Q4: Are you satisfied with your salary?

Q5: How many are the Zimbabwean local workers in the company?

Q6: From the Zimbabwean local workers, how many are in management?

Q7: How many Chinese work in the company?

Q8: Of these Chinese workers how many are in management?

Q9: Do you have an idea on Chinese worker's salary that is how they are paid and an estimation of the salary they are paid?

Q10: Do you think the Chinese company you are working for is making profit?

Q11: In your views is Chinese investment helping to solve the problems that the country is faced with for instance problems such as high levels of unemployment, high levels of poverty etcetera?

Q12: Looking at the way your company operates are there any negative things that you have noticed that is not addressed?

Q13: Generally what do you think about Chinese investment in Zimbabwe?