Interrogating the Utility of Zimbabwe-China Bilateral Economic Relations, 2000-2025

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Abstract

The Zimbabwe-China economic relationship expanded significantly between 2000 and 2025. The study examines its effects on trade, investment, infrastructure, technology transfer and financial flows in Zimbabwe. Dependency, modernisation, international political economy and development economics theories guided the research. A mixed-methods approach within a descriptive-correlational design was adopted. Quantitative data were obtained from the Reserve Bank of Zimbabwe, Ministry of Finance, World Bank, IMF and Chinese government sources. Qualitative data came from interviews with government officials, private sector actors, Chinese investors and civil society representatives. Structural Equation Modeling (SEM) was used to analyse the relationship between infrastructure, technology transfer, industrialisation, employment and debt. Findings show that Chinese investment improved infrastructure development, especially in energy and transport. Employment opportunities also increased in some sectors. However, industrial growth and technology transfer remained limited due to skills gaps and weak

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domestic capacity. Chinese loans supported development projects but increased debt exposure and fiscal pressure. Stakeholders expressed optimism about economic gains. while raising concerns about dependency, transparency and debt sustainability. The study concludes that the partnership has developmental benefits when supported by strong policies on local value addition, technology transfer, debt management and good governance.

Keywords*:* China-Zimbabwe relations; economic development; foreign investment; debt sustainability; industrialisation

INTRODUCTION

Zimbabwe's economic relations with China expanded significantly between 2000 and 2025. The partnership became important during periods of economic decline, sanctions and low Western investment. Chinese involvement increased in mining, infrastructure, agriculture, energy and manufacturing (Chigumadzi, 2022). Infrastructure projects improved transport networks, energy supply and telecommunications systems. Trade and investment flows between the two countries also increased steadily. Debate continues over the developmental value of the relationship. Some scholars view the partnership as a source of economic growth and infrastructure development. Others argue that it has increased dependency, debt exposure and resource extraction. Existing studies provide mainly descriptive accounts of Chinese activities in Zimbabwe. Limited research comprehensively examines the combined effects of trade, investment, debt, infrastructure and technology transfer on Zimbabwe's development trajectory. This gap creates uncertainty regarding the long-term utility of the Zimbabwe-China economic relationship. Concerns remain over industrialisation, technology transfer, local value addition and economic sovereignty. Questions also persist on whether Chinese-funded development supports sustainable growth or deepens structural vulnerabilities. This study examines the utility of the Zimbabwe-China economic relationship from 2000 to 2025. The study evaluates both developmental benefits and structural challenges arising from the partnership. It also assesses whether Zimbabwe's economic engagement with China promotes sustainable transformation or reinforces dependency in the 21st century.

THEORETICAL FRAMEWORK

The Zimbabwe-China economic relationship is shaped by trade, investment, infrastructure financing and technology cooperation. Different theories provide explanations for the opportunities and challenges emerging from this partnership. Dependency Theory explains how developing countries can become economically reliant on stronger economies through unequal trade and financial relations (Dos Santos, 1970). In the Zimbabwe-China context, heavy dependence on Chinese imports, loans and investment may weaken domestic industrial capacity and increase external vulnerability. High import penetration can reduce local production and competitiveness. Increased borrowing can also limit fiscal autonomy and policy independence. However, Chinese capital and infrastructure investment may still stimulate economic activity where strong domestic policies exist.

Modernisation Theory presents a different perspective. The theory argues that foreign investment, technology transfer and industrial cooperation can promote economic growth and modernisation (Rostow, 1960). Chinese-funded infrastructure projects may improve energy supply, transport systems and industrial productivity in Zimbabwe. Technology partnerships may also strengthen skills development, employment creation and production efficiency. The theory therefore links infrastructure development and technology transfer with industrialisation and broader economic transformation. The study uses the Dependency Theory to explain risks associated with debt, import dependence and weak local industries. The study uses the Modernisation Theory to explain how infrastructure, investment and technology transfer may positively influence industrialisation and development outcomes.

The International Political Economy (IPE) Theory explains the relationship between economics, politics and power in international relations (Gilpin, 2001). Zimbabwe-China economic cooperation is influenced by diplomatic relations, strategic interests and geopolitical considerations. Chinese investment allocation and infrastructure financing are often connected to broader political and economic objectives. This may affect Zimbabwe's policy choices, resource governance and fiscal sovereignty. Development economics provides another analytical perspective. The theory examines how trade, investment and development policies influence growth, industrialisation and poverty reduction (Todaro and Smith, 2020). In this study, development economics links infrastructure investment and technology transfer with employment creation, value addition and industrial growth. It also explains how excessive debt may weaken long-term development outcomes through fiscal pressure and reduced public investment capacity.

These theories collectively inform the study's analytical framework. Trade flows and investment are treated as independent variables influencing infrastructure development, technology transfer and industrialisation. Infrastructure and technology transfer operates as a mediating variable shaping employment creation and economic transformation. Debt functions as a moderating variable because high debt exposure may reduce the positive developmental impact of investment and infrastructure growth. Domestic policy and governance also influence how effectively Zimbabwe converts Chinese economic engagement into sustainable development outcomes.

CONCEPTUAL FRAMEWORK

The conceptual framework explains how Zimbabwe-China economic engagements influence Zimbabwe's industrialisation and sustainable development outcomes. The independent variables comprise trade relations, foreign direct investment, infrastructure development, technology transfer and financial cooperation. These variables are expected to promote industrial growth through mediating factors such as capital formation, employment creation, industrial capacity expansion, innovation and technology absorption. The framework further recognises that the effectiveness of these engagements is shaped by moderating factors, including governance quality, policy and regulatory frameworks, political stability, macroeconomic conditions and global geopolitical dynamics.

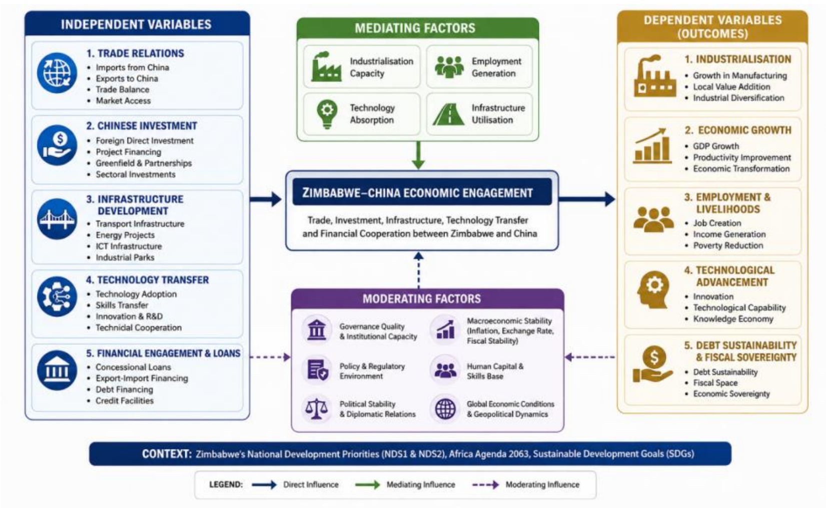

Figure 1: *Conceptual framework: Zimbabwe-China economic relations* (Author's Construct, 2026)

Evidence suggests that foreign investment contributes positively to industrialisation when supported by strong institutions, adequate infrastructure and sound economic policies (Darko and Xu, 2022; Amoah, 2025). Similarly, Andangnui (2024) argues that governance quality, competitiveness and macroeconomic stability significantly determine the developmental outcomes of external economic partnerships. Therefore, the relationship between Zimbabwe and China is conceptualised as a dynamic interaction in which economic cooperation can stimulate industrialisation and sustainable development, provided that supportive institutional and policy conditions are in place.

LITERATURE REVIEW

Zimbabwe-China economic relations have developed over several decades. The relationship has been shaped by historical, political and economic factors. Trade relations between the two countries expanded gradually from the 1980s. During this period, Zimbabwe exported mainly minerals, tobacco and agricultural products to China, while China supplied manufactured goods and machinery (Maheve, 2026). Early relations were largely diplomatic and symbolic under South-South cooperation. However, the relationship changed significantly after the early 2000s as Chinese investment and financing increased in mining, infrastructure, energy and manufacturing sectors. This shift transformed the relationship into a strategic economic partnership.

Existing scholarship widely examines trade and investment relations between Zimbabwe and China. However, limited studies holistically analyse how trade, infrastructure financing, technology transfer, industrialisation and debt sustainability interact to shape Zimbabwe's long-term development outcomes. Most studies focus on isolated variables such as investment flows or infrastructure development without critically assessing their interconnected developmental implications. Limited attention has also been given to whether Chinese economic engagement promotes sustainable industrial transformation or deepens structural dependency and fiscal vulnerability in Zimbabwe. This study, therefore, seeks to address this gap by examining the combined developmental utility and structural risks of Zimbabwe-China economic relations between 2000 and 2025.

Industrialisation and technology transfer emerged as major themes in the literature. Zimbabwe's economy has historically depended on raw commodity exports, resulting in weak industrial growth and limited technological development. Mlambo (2022) argues that Chinese investment introduced new technologies and industrial practices into several economic sectors. Chinese-funded infrastructure projects also improved energy supply, transport systems and industrial production capacity. However, Maheve (2026) notes that Zimbabwe continues to import large volumes of Chinese manufactured goods, limiting local industrial competitiveness and reinforcing trade imbalances. These contrasting findings reveal both developmental opportunities and structural challenges within the partnership. Chinese investment may improve infrastructure and production capacity, yet continued dependence on imported manufactured goods can weaken local industries and delay industrial upgrading. Existing scholarship therefore stresses the importance of structured technology transfer agreements, local value addition policies and domestic industrial protection mechanisms.

The term "Look East Policy" was first introduced by the former Malaysian Prime Minister, Mahathir bin Mohammad, in 1981. Malaysia adopted the policy to learn from the economic and technological progress of countries such as Japan and South Korea. Through this approach, Malaysia sought to stimulate economic growth, industrialisation and technological modernisation. Zimbabwe later adopted its own Look East Policy under different political and economic conditions. Unlike Malaysia that adopted the policy during economic expansion and industrial transformation, Zimbabwe adopted the policy during a period of economic decline, sanctions and international isolation. The Zimbabwean version, therefore, focused more on securing alternative sources of trade, investment, technology and financial support rather than industrial learning alone (Chimanikire, 2016; Mgadza, 2021; Maphaka, 2023b). Kushata (2017) opines that the policy aimed to strengthen economic relations with Eastern countries, particularly China. Economically, Zimbabwe sought investment and development support while politically, the policy reflected the country's emphasis on sovereignty and resistance to Western influence (Laura *et al.*, 2011). However, unlike Malaysia, Zimbabwe's policy produced mixed outcomes. Chinese investment improved infrastructure development and expanded economic cooperation, but concerns over debt dependency, limited industrial upgrading and trade imbalance also emerged. Through this policy, China became one of Zimbabwe's major economic partners, although the developmental outcomes remained uneven across sectors.

Debt sustainability has emerged as a major area of debate in recent scholarship. Chinese loans financed critical infrastructure and development projects in Zimbabwe. However, these loans also raised concerns regarding repayment capacity, fiscal sovereignty and long-term macroeconomic stability (AFRODAD, 2020). Existing studies provide contrasting perspectives on this issue. Wang and Xu (2023) argue that Chinese financing models can support sustainable development when national assets are strategically integrated into debt management frameworks. The study highlights the importance of asset-based financing and structured debt planning.

Similarly, Brautigam and Hwang (2021) note that Chinese debt restructuring approaches in Africa often rely on bilateral negotiations and flexible repayment arrangements rather than strict multilateral conditionalities. In contrast, AFRODAD (2019) warns that rising debt levels may reduce fiscal space, weaken sovereignty and increase long-term economic vulnerability. Castillo-Morales (2020) further argues that resource-backed financing arrangements may increase dependency and constrain policy flexibility in debtor states. These contrasting perspectives demonstrate ongoing scholarly disagreement regarding whether Chinese financing promotes sustainable growth or deepens structural dependency.

The Belt and Road Initiative (BRI) has also become important in recent debates on China-Africa relations. Jones and Hameiri (2020) argue that BRI financing promotes infrastructure connectivity, industrial cooperation and trade expansion across developing economies. Chinese-funded transport, mining and energy projects in Zimbabwe reflect some of the broader patterns associated with BRI financing in Africa. However, Hillman (2020) cautions that BRI projects may increase debt exposure and economic dependency where domestic industries remain weak and unable to generate sustainable returns. These debates suggest that infrastructure investment alone cannot guarantee sustainable development without strong domestic industrial policies and governance systems.

Trade flows, investment, infrastructure development, industrialisation and debt sustainability are closely interconnected. Chinese investment in infrastructure and industrial projects can increase production capacity and improve trade facilitation (Maheve, 2026). Infrastructure investments in energy and transport may also support industrialisation and technology adoption (Chikodzi and Nyoni, 2021). Mlambo (2022), using a mixed-methods approach, found that Chinese-funded projects improved employment creation, transport systems and industrial activity. However, Chikodzi and Nyoni (2021) identified maintenance problems, governance weaknesses and local skills shortages as major limitations affecting long-term effectiveness. These findings show that infrastructure development alone does not automatically produce sustainable industrial transformation. Development outcomes depend on governance quality, local skills capacity and integration with broader national industrial policies.

Trade imbalance remains another critical concern in the literature. Chipaike and Bischoff (2019) argue that Zimbabwe's continued export of raw commodities, alongside heavy imports of Chinese manufactured goods, reinforces structural dependency and limits domestic industrial growth. Maheve (2026) similarly finds that although Chinese investment supported infrastructure and industrial projects, Zimbabwe's exports remained concentrated in primary commodities. Sun (2022) also argues that many African economies continue to function mainly as exporters of raw materials despite increasing Chinese investment and infrastructure financing. This pattern limits value addition and weakens domestic manufacturing competitiveness. AFRODAD (2019), therefore, recommends stronger policies promoting local beneficiation, industrial participation and strategic utilisation of external loans. These arguments suggest that the developmental utility of Zimbabwe-China relations depends on Zimbabwe's ability to convert investment inflows into sustainable industrial growth and technological capacity.

Recent scholarship also highlights broader geopolitical and strategic dimensions of Zimbabwe-China relations. Alden and Aran (2017) argue that the relationship should not only be viewed as part of broader China-Africa relations, but also as a distinct strategic partnership shaped by Zimbabwe's Look East

Policy and China's Africa engagement strategy through Forum on China-Africa Cooperation (FOCAC). Alden and Large (2019) similarly argue that China's growing engagement in Africa is shaped by both economic interests and geopolitical diplomacy. The authors note that Zimbabwe's partnership with China strengthened during periods of diplomatic isolation from Western countries. However, scholars also caution that geopolitical partnerships may create uneven bargaining power, where weaker economies become highly dependent on external trade and financing arrangements. Mufandaedza (2024) similarly examines China's geoeconomic strategy in Zimbabwe, particularly in the resource sector and stresses the need to align Chinese engagements with Zimbabwe's national development priorities.

Environmental, Social and Governance (ESG) issues have also become increasingly important in recent scholarship on Chinese financing and infrastructure development. UNDP (2022) argues that sustainable infrastructure development should integrate environmental protection, labour standards, transparency and community participation. Chinese-funded mining, transport and energy projects in Africa have generated both economic opportunities and environmental concerns. In Zimbabwe, concerns regarding environmental degradation, local participation and project transparency continue to emerge around some large-scale projects. Recent literature, therefore, emphasises the need for stronger ESG frameworks, environmental monitoring systems and stakeholder oversight mechanisms to ensure that development gains are socially inclusive and environmentally sustainable.

Recent scholars continue to debate the long-term implications of Chinese engagement in Africa and Zimbabwe. Abegunrin and Manyeruke (2020) argue that Chinese trade, infrastructure financing and foreign direct investment create important developmental opportunities across Africa. However, they also warn about dependency risks, governance weaknesses and uneven developmental outcomes. Their work demonstrates that Zimbabwe-China relations contain both developmental potential and structural vulnerabilities. The literature, therefore, reflects a balanced but contested debate. Some scholars emphasise infrastructure development, industrial opportunities and economic recovery. Others highlight debt dependency, trade imbalances, weak industrial absorption and governance challenges. This study builds on these debates by examining how trade, investment, infrastructure, industrialisation, technology transfer and debt sustainability collectively shape Zimbabwe's long-term developmental trajectory.

RESEARCH METHODOLOGY

The study adopts pragmatism as its guiding research philosophy. Pragmatism was selected because the study examines both measurable economic outcomes and subjective stakeholder experiences within the Zimbabwe-China economic relationship. Positivism alone was insufficient because it focuses mainly on objective measurement and statistical relationships. Such an approach could not fully explain policy motivations, institutional perceptions and stakeholder experiences surrounding Chinese engagement in Zimbabwe. Interpretivism was also limited because it prioritises subjective meanings and social interpretations while providing limited capacity to measure economic trends and structural relationships. Pragmatism, therefore, provided a more suitable philosophical foundation because it allows for the integration of objective economic data with subjective policy and stakeholder perspectives. This philosophical position directly informed the methodological choice of combining quantitative and qualitative methods to achieve a broader and more balanced understanding of the study problem.

A mixed-methods approach was employed using a convergent parallel design. Quantitative and qualitative data were collected and analysed concurrently before being integrated during interpretation of findings. The quantitative component examined trade volumes, foreign direct investment flows, debt statistics, infrastructure financing and industrialisation indicators between 2000 and 2025. This component generated measurable evidence on economic trends and relationships. The qualitative component explored stakeholder experiences, institutional perspectives and policy interpretations regarding Chinese economic engagement in Zimbabwe. Interviews were conducted with government officials, private sector actors, Chinese investment representatives and civil society stakeholders. The convergent design enabled direct comparison and integration of statistical findings with stakeholder perceptions. This strengthened methodological triangulation and improved the validity of the study findings.

The study adopted a descriptive-correlational research design. The descriptive aspect examined trends and sectoral patterns in Zimbabwe-China trade, investment, infrastructure projects and debt accumulation from 2000 to 2025. This provided a detailed overview of the nature and structure of the bilateral economic relationship. The correlational aspect examined relationships between Chinese investment, infrastructure development, employment generation, technology transfer, industrialisation and debt sustainability. The design enabled the study to identify significant associations among variables without manipulating them. This approach was appropriate because the study sought to analyse naturally occurring economic and developmental trends within the Zimbabwe-China partnership.

FINDINGS AND EMERGING ISSUES

SECTORAL COMPOSITION AND TRENDS OF CHINA-ZIMBABWE TRADE AND INVESTMENT (2000-2025)

The study found a strong rise in trade and Chinese investment between 2000 and 2025. Trade increased from about US$100 million to over US$4 billion. Foreign direct investment also rose to around US$3 billion. Most of this investment went into energy, mining and infrastructure. The number of Chinese projects in Zimbabwe also increased. They grew from three to about 420 projects and China's share of Zimbabwe's total trade rose from 1.5% to 18.5%. The analysis shows a clear link between investment and development outcomes. Investment had a strong effect on infrastructure development ($\gamma_1 = 0.78$, $p < 0.001$). It also supported technology transfer ($\gamma_2 = 0.69$, $p < 0.001$). Interviews with officials, businesses and civil society supported these findings. However, they pointed out an imbalance in trade, citing that Zimbabwe exports mainly raw materials like tobacco and lithium, and imports finished goods in the form of machinery and electronics, for example. While trade has grown, industrial development remains limited. Many stakeholders said Zimbabwe still depends heavily on external markets and called for stronger policies to turn trade gains into local industrial growth.

IMPACT OF CHINESE-FUNDED PROJECTS ON INFRASTRUCTURE, EMPLOYMENT AND TECHNOLOGY TRANSFER

The study found that Chinese-funded projects improved infrastructure across Zimbabwe. About 560 km of roads were rehabilitated, electricity generation increased by around 1 300 MW and the total infrastructure investment was over US$1.35 billion by 2025. Employment also increased, evidenced by the approximate 2 000 direct and 1 650 indirect jobs created. However, many skilled positions were held by Chinese workers. Technology transfer was moderate, estimated at about 48%. It came mainly through joint ventures and training programmes. The results show a clear development pathway. Consequentially, infrastructure and technology improved employment. This then supported industrial growth and wider development outcomes and interviews carried out confirmed these trends. Respondents said the projects changed transport and energy systems but they also raised concerns, citing that local workers often did not access skilled roles. Furthermore, findings posit that technology transfer was uneven and local capacity remained weak in some sectors. Various other stakeholders said the impact was positive but uneven. They recommended stronger local content rules, more training and skills development for Zimbabwean workers.

SUPPORT FOR INDUSTRIALISATION AND VALUE ADDITION

The study found that Chinese engagements partially supported Zimbabwe's industrialisation and value addition though progress remained modest relative to natural resource exports. Quantitative data indicated that the share of manufactured exports rose slightly from 8% to 8.7%, while the number of value-added processing plants increased from one to 80 and manufacturing GDP grew at an average of 4.9% with occasional volatility. The data showed that infrastructure, technology transfer and employment all supported industrial growth. Infrastructure had a positive effect on industry (0.42, $p = 0.008$). Technology transfer had a stronger effect (0.51, $p = 0.003$). Employment also had a positive effect (0.37, $p = 0.012$). This indicated that these factors collectively enabled industrial activity and value addition. Qualitative evidence from participants highlighted that while some downstream processing and joint ventures existed, local firms faced high input costs, limited technology adoption and weak integration with domestic supply chains. The benefits were concentrated in mining and energy-linked sectors. In that regard, it is worth noting that the most processed output was exported to China rather than domestic markets. Stakeholders said skills shortages and weak policy enforcement slowed industrial growth. They noted that benefits were concentrated in a few sectors. They called for stronger support for local industry and better integration of supply chains.

IMPLICATIONS OF CHINESE LOANS AND DEBT SUSTAINABILITY

The study found that Zimbabwe's exposure to Chinese loans increased significantly between 2000 and 2025. Quantitative findings showed that China-linked debt reached 45% of GDP, while the debt service ratio increased to 7.5%. Resource-backed loans also accounted for 25% of total public debt. These findings indicate growing fiscal exposure associated with Chinese-financed development projects. Statistical analysis revealed significant negative relationships between debt levels and selected development indicators. Higher debt levels were associated with lower development outcomes linked to infrastructure investment (−0.31, $p = 0.015$). Debt was also negatively associated with the relationship between technology transfer and industrial growth (−0.27, $p = 0.028$). These findings suggest that rising debt obligations may coincide with reduced fiscal flexibility and constrained long-term development capacity. However, the correlational design of the study does not establish direct causation. The results, therefore, indicate statistical associations rather than definitive causal effects between debt exposure and development outcomes.

Interviews reinforced these quantitative findings. Respondents acknowledged that Chinese loans contributed to infrastructure financing in sectors such as transport and energy. However, concerns were raised regarding repayment pressures, debt transparency and long-term fiscal sustainability. Some participants argued that resource-backed loans could reduce future economic flexibility and policy autonomy. Others expressed concern that increasing debt obligations may affect domestic investment priorities and public expenditure patterns. Stakeholders, therefore, emphasised the importance of prudent debt management, transparent loan agreements and stronger institutional oversight in managing Zimbabwe's economic engagement with China.

Stakeholders Perceptions and Experiences

The study found that stakeholder perceptions of the Zimbabwe-China economic relationship were heterogeneous. It reflected a combination of optimism about tangible gains and concern over structural risks. Quantitative and qualitative evidence revealed that government officials acknowledged significant infrastructure improvements and technology transfer. Private sector actors recognised enhanced industrial capacity but faced stiff competition and limited access to subcontracting opportunities. Lastly, civil society emphasised risks associated with high debt, limited transparency and extractive economic patterns. Survey data indicated moderate to high satisfaction (mean score 3.3/4 by 2025) with Chinese engagement, particularly in terms of roads, electricity, employment, skills development and incremental industrial capacity. However, fiscal vulnerabilities, limited domestic ownership of technology, minimal local content in some projects and opaque loan agreements were noted as areas of concern. Structural equation modeling confirmed that infrastructure, technology and industrialisation drove perceived developmental utility (DEV) while rising debt moderated these benefits, thereby, reducing their net impact.

Policy Framework to Enhance Developmental Utility

The study found that policy reform is needed to improve outcomes. Stronger rules can help increase local benefits from Chinese engagement. Key areas include transparent debt management and clear loan terms. The study found that a comprehensive policy framework was critical to enhancing the developmental utility of Zimbabwe-China economic engagement. Quantitative and qualitative evidence demonstrated that while trade, FDI and project proliferation directly drove development, high levels of Chinese-linked debt moderated these benefits. SEM pathways such as ENG → INF → EMP → IND → DEV and ENG → TECH → IND → DEV highlighted the importance of infrastructure and technology as mediators of development, while debt posed a structural constraint. Stakeholder interviews emphasised the need for strategic interventions, including transparent debt management, binding technology transfer agreements, integration, local content requirements and environmental and social safeguards. Government officials stressed clear joint venture clauses and debt sustainability safeguards. Private sector actors highlighted structured skills programmes and performance benchmarks as civil society emphasised social accountability and resource protection.

DISCUSSION

The findings of this study align with broader debates on Chinese financing and debt sustainability in Africa. Brautigam and Hwang (2021) argue that Chinese debt restructuring often relies on bilateral renegotiation and diplomatic flexibility, rather than strict multilateral conditionalities. This partly explains why Zimbabwe continues to maintain Chinese financial cooperation despite growing debt concerns. Similarly, Wang and Xu (2023) contend that strategic use of national assets and improved debt management systems can enhance sustainable financing outcomes. In the Zimbabwean context, this suggests that the developmental utility of Chinese loans depends not only on borrowing levels, but also on institutional capacity, fiscal discipline and strategic debt governance. However, Hillman (2020) cautions that large-scale infrastructure financing may increase long-term fiscal vulnerability where domestic industrial returns remain weak. This concern is reflected in the present study where respondents acknowledged infrastructure gains but remained concerned about repayment pressure, fiscal sovereignty and policy flexibility.

The findings also support wider discussions on infrastructure-led development and industrialisation. Sun (2017) argues that Chinese investment has transformed infrastructure and productive sectors across Africa through transport networks, energy expansion and industrial cooperation. The Zimbabwean case reflects similar outcomes as Chinese-funded projects improved roads, electricity generation and industrial activity. However, Sun (*ibid.*) further observes that many African economies continue to export raw materials, while importing manufactured goods from China. This pattern remains evident in Zimbabwe, where industrial upgrading and local value addition remain limited despite growing Chinese investment. The findings, therefore, suggest that infrastructure development alone is insufficient to guarantee sustainable industrial transformation without strong domestic industrial policies and local production capacity.

Recent scholarship also highlights the importance of geopolitical diplomacy in shaping China-Africa relations. Alden and Large (2019) argue that China's engagement in Africa is influenced by both economic interests and strategic political considerations. Zimbabwe's partnership with China similarly expanded during periods of diplomatic isolation from Western countries. The relationship, therefore, reflects both economic cooperation and geopolitical alignment. Jones and Zeng (2019) further argue that Chinese overseas engagements should not only be understood as economic expansion, but also as part of broader state transformation and strategic influence. This perspective helps explain why Zimbabwe's Look East Policy evolved beyond trade relations into a wider diplomatic and developmental partnership with China. However, the study also finds that unequal bargaining power may emerge where developing economies become heavily dependent on a single major partner for trade, loans and infrastructure financing.

The findings further connect with emerging debates on ESG standards in infrastructure development. UNDP (2022) emphasises that sustainable infrastructure projects should integrate environmental protection, labour standards, transparency and community participation. In Zimbabwe, respondents raised concerns regarding transparency, local participation and uneven distribution of benefits from some Chinese-funded projects. These concerns reflect broader continental debates surrounding governance and sustainability in foreign-funded infrastructure projects. The study, therefore, supports the argument that stronger ESG frameworks, transparent procurement systems and stakeholder oversight mechanisms are necessary to ensure that development gains are socially inclusive and environmentally sustainable.

The study also reinforces debates on local beneficiation and industrial participation. AFRODAD (2020) argues that external financing can support development when linked to local industrial growth, value addition and productive capacity expansion. Similarly, Sun (2017) notes that many African economies struggle to convert infrastructure investment into sustainable industrial transformation due to continued dependence on raw commodity exports. This pattern is visible in Zimbabwe, where mining exports and primary commodities continue to dominate trade relations with China. Respondents, therefore, stressed the importance of local content policies, domestic industrial participation and structured technology transfer agreements. These measures are necessary to ensure that Chinese investment contributes to long-term industrialisation rather than reinforcing dependency on commodity exports.

CONCLUSION

Zimbabwe-China trade and investment grew strongly between 2000 and 2025. The growth is clear in the numbers and in the scale of projects on the ground but the structure of this relationship did not change much. Zimbabwe still exports mainly raw materials, especially minerals and agricultural products whilst China, on the other hand, continues to supply the finished product. This creates a steady but uneven exchange between the two economies. The implication is that a balance in trade volume may be kept, but not in value addition. Mining and infrastructure sectors absorbed most of the capital investment and produced visible results. Roads were built, power stations were expanded and extraction capacity improved. These are real gains which unarguably matter for development. However, other sectors did not grow at the same pace, for example, manufacturing remained limited and agro-processing also remained weak. So, while the foundation of the economy improved, its structure did not fully transform.

Employment increased because of these projects. Many jobs were created during construction and implementation phases and this helped households and supported short-term income growth. The picture changes though, when we look at skills and long-term employment, many skilled positions were still held by Chinese workers. Local participation in technical roles remained limited, meaning that employment growth did not always translate into deep capacity-building. Technology transfer followed a similar pattern in that it was present but uneven. Some workers benefited from training in joint ventures and other firms gained access to improved equipment and systems but in many cases, the transfer stopped at basic levels.

Advanced technical knowledge remained outside the local system, resulting in partial and unstructured learning. This limited the speed of industrial upgrading.

Noteworthy is the fact that industrialisation slowly moved forward. There were signs of progress in value addition, especially in mining-linked processing. A few new plants were established and manufacturing output increased slightly. Despite this, the broader economy remained dependent on exporting raw commodities. This shows a gap between infrastructure development and structural transformation. Infrastructure improved the environment for growth, but it did not fully change what the economy produces. Debt also played a central role in shaping these outcomes. Chinese loans made large projects possible and without them, many developments would not have happened. At the same time, debt levels increased steadily and ended up creating pressure on government finances, resulting in reduced policy flexibility. Resource-backed arrangements added further risk since future earnings were tied to repayment structures. So, development came with financial constraints attached to it.

RECOMMENDATIONS

The study recommends stronger institutional management of Zimbabwe-China economic relations. Government should negotiate Chinese loans through transparent parliamentary and public review processes. The Ministry of Finance and Parliament should establish mandatory debt sustainability assessments before approval of major external loans. Resource-backed financing should be limited through statutory borrowing thresholds and periodic public debt audits conducted by the Auditor General and Reserve Bank of Zimbabwe. These measures would strengthen fiscal oversight and reduce long-term debt vulnerability.

The study further recommends stronger alignment between Chinese investment and Zimbabwe's industrialisation agenda. Government should require all major investment agreements to include enforceable local value-addition targets and domestic procurement obligations. The Ministry of Industry and Commerce should introduce minimum local content thresholds for infrastructure, mining and manufacturing projects. Export processing incentives should also prioritise value-added production rather than raw commodity exports. These measures would improve domestic industrial participation and strengthen local supply chains.

In addition, the study recommends formal technology transfer and skills development mechanisms. Joint venture agreements should contain legally binding technology transfer clauses monitored through annual compliance reviews. Chinese-financed projects should allocate compulsory training quotas for Zimbabwean engineers, technicians and managers. Universities, technical colleges and industrial firms should also establish structured exchange programmes with Chinese institutions to improve long-term skills absorption and innovation capacity. These mechanisms would improve local technological capacity and reduce dependence on foreign expertise.

Furthermore, the study recommends stronger employment and enterprise development frameworks. Government should enforce measurable local employment quotas in major Chinese-funded projects through labour compliance inspections. Small and medium enterprises (SMEs) should receive targeted financing and procurement access within Chinese-supported value chains. The Ministry of Labour and Ministry of SMEs should jointly monitor compliance with local employment and subcontracting requirements. These interventions would broaden domestic participation in development projects and improve income distribution.

In the same vein, the study recommends stronger monitoring, governance and stakeholder oversight systems. Government should establish an inter-agency Zimbabwe-China Economic Partnership Oversight Committee comprising ministries, Parliament, civil society, private sector representatives and local authorities. The committee should publish annual project performance, debt exposure and environmental compliance reports. Environmental Management Agency (EMA) regulations should also be strictly enforced through mandatory Environmental and Social Impact Assessments (ESIAs) for all major projects. These measures would strengthen transparency, accountability and public trust in Zimbabwe-China economic engagements.

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