THE SPECTER OF GLOBAL CHINA

Politics, Labor, and Foreign Investment in Africa

CHING KWAN LEE

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For Shen Yuan

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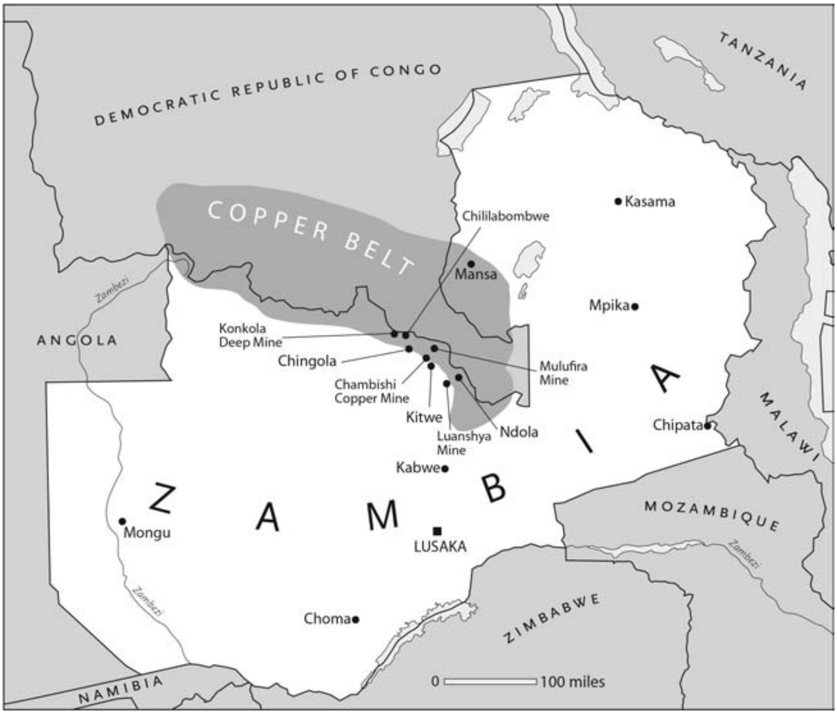
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Abbreviations

15 MCC: China 15th Metallurgical Construction Group Company
ADB: African Development Bank
AGM: annual general meeting
AGOA: African Growth and Opportunity Act
CCP: Chinese Communist Party
CCS: Chambishi Copper Smelter
CDB: China Development Bank
CHINA EXIM BANK: Export-Import Bank of China
CNMC: China Nonferrous Metal Mining (Group) Company
CNPC: China National Petroleum Corporation
CSR: corporate social responsibility
EBITA: earnings before interest, taxes, and amortization
EPZ: export processing zone
EVA: economic value added
FDI: foreign direct investment
FOCAC: Forum on China–Africa Cooperation
GDP: gross domestic product
GNP: gross national product
GRZ: Government of the Republic of Zambia
HIPC: Heavily Indebted Poor Countries debt-relief program
IMF: International Monetary Fund
JICA: Japan International Cooperation Agency
JXI: Jiangxi International
K: kwacha (the Zambian currency)
KCM: Konkola Copper Mines
KPI: key performance indicator
MCAWUZ: Mine Contractors and Allied Workers Union of Zambia
MCM: Mopani Copper Mines

MFEZ: multifacility economic zones
MMD: Movement for Multiparty Democracy
MUZ: Mineworkers Union of Zambia
NCC: National Council for Construction
NFCA: Non-Ferrous Metal China, Africa
NUBEGW: National Union of Building, Engineering and General Workers
NUMAW: National Union of Miners and Allied Workers
NUMWUZ: United Mine Workers Union of Zambia
P&G: preliminary and general expenses
PF: Patriotic Front
PIC: person in charge
PPE: personal protective equipment
PS: permanent secretary
RDA: Road Development Agency
RST: Roan Selection Trust
SADC: Southern African Development Community
SASAC: State-Owned Asset Supervision and Administration Commission
SEZ: special economic zone
SHE: safety, health, and environment
SOE: state-owned enterprise
TICAD: Tokyo International Conference on African Development
UNCTAD: United Nations Conference on Trade and Development
UNIP: United National Independence Party
VoC: varieties of capitalism
ZCCM: Zambia Consolidated Copper Mines, Ltd. (pre-privatization)
ZCCM-IH: ZCCM Investments Holdings (post-privatization)
ZCCZ: Zambia–China Cooperation Zone

Preface

"China in Africa" is a tantalizing subject. Leading Western media outlets have featured investigative reports on China's expansive economic activities in Africa, inspiring hopes and fears, fostering policy debates, activating transnational advocacy networks, and spawning new fields of scholarship. All this attention makes writing on the topic both a blessing and a curse: a blessing because the author can count on readers' appetite and interest; a curse because empirically grounded research typically does not offer the quick, easy answers that rhetorical questions circulating in the popular domain—such as "Is China the new colonial power in Africa?"—tend to solicit. What, then, can readers of this book expect, if not a pithy and sweeping determination about China's purported "colonization" of Africa?

In 2007, after two decades of studying China's labor politics in the country's transition from state socialism to the world's workshop, I followed in the footsteps of outbound Chinese state investment and arrived in Zambia. I began what would turn out to be a seven-year project with a question: "What is different about Chinese investment in Africa?" From the beginning, I found the frame of colonialism (or neocolonialism) not intellectually productive. Even though terms such as scramble, empire, and hegemony have been liberally invoked in discussions of China in Africa—perhaps because they resonate with many people's preconceptions—we run into serious definitional, empirical, and historical problems when we deploy them analytically, and not just for their rhetorical and political effects. They divert attention from what has actually been happening in the short span of the past two decades—a ferocious outward trend of direct investment from China with uneven capacity and uncertain success in many parts of the world. There is no military occupation by China in Africa, no chartered companies with exclusive or sovereign trading rights, no religious proselytizing—all things that typically accompanied colonialism over the past century or two. One would be hard pressed to find empirical evidence even of China's informal "imperial influence" on the countries and regions in which it has invested. Rather, the phenomenon of global China is about China seeking spatial and political fixes to its resource and profit bottleneck, in the context of a national and global overaccumulation crisis, with no preordained or guaranteed outcome. Only through grounded empirical research on its forms, trajectories, and effects, not by historical allegory or rhetorical flourish, will we be able to understand the nature of global China as a geopolitical and socioeconomic formation of power.

Once I arrived on the Zambian Copperbelt, it did not take me long to realize that China was just one of many foreign investors. Two decades of neoliberalization and privatization of the mines, driven and imposed by the World Bank and the International Monetary Fund, have opened up Zambia for foreign direct investment from India, South Africa, Brazil, Canada, and Switzerland, among others, in addition to China. After several months of initial fieldwork, it also became apparent to me that the uniqueness of Chinese investment has to do with "state" capital, not the migrant entrepreneurs or private companies from China. With a revised question—"Is Chinese state capital a different kind of capital?"—I began a long and arduous, frustrating yet fascinating journey of comparative ethnographic research.

At the heart of this book is a comparison between two kinds of capital—Chinese state investment and global private investment—in two industries in Zambia: copper and construction. Analytically, the comparison falls along three theoretically significant dimensions of capital: logic of accumulation, regimes of labor, and ethos of management. I collected data by shadowing managers, engineers, and workers in underground mines, living with expatriates in their compounds, attending collective bargaining sessions, visiting miners in their homes in mining townships, conducting interviews on construction sites around the country, and collaborating with Zambian government officials. In a nutshell, the answer to my question is: yes, under certain circumstances Chinese state capital can be made a different kind of capital, bringing unique potential and perils to Zambian development, and presenting government and workers with different kinds of bargains than global private capital.

How generalizable or useful are the findings from a place-bound and time-specific ethnographic study for understanding a global, macroscopic political economic phenomenon? After all, many researchers on China in Africa resort to aggregate, continent-wide statistics on trade, investment, and migration, inferring from these numbers China's growing power and influence. Others become jet-setting interviewers, hopping from one African capital to another and then to Beijing, asking policy elites about their grand strategies and their perspectives on African realities down below their palatial offices. I have taken a different tack in this book because I treat capital, labor, and state as processes and relations of power, not as quantifiable amounts of money, economic inputs, or aggregates of policies and policy makers. What matters to me is how their interests, logic, power, and practices interact with and contest one another in specific historical contexts. The "generalization" I pursue is theoretical, not statistical or descriptive. In other words, I am not claiming that what happened during the seven years I conducted this research in Zambia is generalizable to other African countries regardless of differences in national and global conditions. But I am arguing, more generally and against the grain, that without recourse to military force, Chinese state capital's encompassing imperatives—for which it is often assailed as "colonialist"—in reality compel it to be more open to political negotiation and concession than profit-maximizing global private capital in responding to African developmental impulses and labor demands. This has happened in Zambia in the context of a strong political current of resource nationalism in both state and society, buoyed by a period of high global commodity prices. But this configuration of forces and dynamic exists unevenly across industrial sectors (in copper but not in construction), depending on variations in labor's organizational capacity and in elite political vision and will.

Theoretically, I hope this book makes a plausible case for theorizing the "varieties of capital," to be distinguished from the "varieties of capitalism." Chinese state capital is just one particular instance of state capital, which comes from many different countries besides China. Capital is too globally mobile and politically contested to be contained within national frameworks of institutional complementarity, such as those theorized in the "varieties of capitalism" literature. From the perspective of African states and citizens, there are no "varieties of capitalism," only the global neoliberalized market economy, but there are "varieties of capital" entering their national economies. No matter how unappealing it may sound to some, capitalism is global, and it is the only game in town in Zambia, and perhaps Africa more generally. Even as Chinese state capital, with its peculiar logic of accumulation, production organization, and managerial ethos, offers more room for bargaining, China shows no interest, intention, or capacity to challenge or replace the existing institutional infrastructure of twenty-first-century capitalism. Yet, recognizing the existence of and differences among varieties of capital would reveal the spectrum of political, policy, and intellectual spaces for local engagement and alternative opportunities. To what extent these local efforts at embedding capital can postpone, mitigate, fix, or transcend what economic historians have identified as global capitalism's systemic boom and bust cycles, its structural crises of overaccumulation, and, in this case, Africa's underdevelopment, only the future can tell.

Finally, this book advances the notion of global China as a subject of sociological inquiry, pushing the empirical boundary of China studies beyond China's territorial borders. China casts an outsize shadow on many different arenas of world development, challenging the field of China studies to abandon its methodological nationalism so as to catch up with China's transformation into a global force. Global China is taking myriad forms, ranging from foreign direct investment, labor export, and multilateral financial institutions for building cross-regional infrastructure to the globalization of Chinese civil society organizations, creation of global media networks, and global joint ventures in higher education, to name just a few examples. As many of these strands of outward development have originated from pressures and interests at home, the consequences of these external engagements are bound to have boomerang impacts on the home front, whether on regime stability, civil society growth, or national economic restructuring. Studying global China means reimagining China beyond China, connecting, contextualizing, and comparing "Chinese" development with that in other parts of the world.

Throughout this multisited and multiyear intellectual adventure, I have accumulated immense debts to many individuals and institutions. Four people have been my indispensable anchors. First and foremost, I am grateful to Shen Yuan, my unwavering intellectual comrade, nurturing friend, and occasional fellow fieldworker in all my scholarly projects, large and small, finished or failed. For two decades, he has generously shared with me his encyclopedic knowledge of China, his exquisite ideas, his passion for sociology, and his eternal sense of humor and compassion, lifting my spirits many times when everything else looked dreadful and impossible. I dedicate this book to him as a token of my deepest appreciation and admiration. Michael Burawoy, once and always a teacher, has continued to be a profound and endless source of inspiration, in ideas and in actions. As my interest in global China took me to the same mines in Zambia where he spent several youthful years more than forty years ago conducting ethnographic research for his classic monograph *The Colour of Class on the Copper Mines* (1972), his invisible yet ever-present footprints beckoned, inviting me to join him in a quiet dialogue between the past and the present.

In Zambia, as I arrived totally ignorant and unconnected, I had the good fortune to meet Marja Hinfelaar, a Dutch historian who has made Zambia her permanent home for twenty-five years. Her amazing energy, intellect, charm,

and friendship have made my life much easier and more enjoyable than would otherwise be possible. Among the many doors Marja opened for me, one stood out as particularly consequential. She introduced me to Dr. Guy Scott in 2010, when his Patriotic Front Party was still in opposition. After his party won the 2011 election, and the late president Michael Sata appointed him vice president of the Republic, Dr. Scott made good on his promise to secure me access to the powerful foreign-owned mining firms. Within the limits of his power and the law, he offered me an unparalleled opportunity to study up (that is, to study people or institutions higher up in the social hierarchy from the usual position of the researcher), giving me a glimpse of his government's interaction with top Chinese officials in Beijing and Lusaka. Understated, witty, and brilliant, he supported my work without strings attached and in a spirit of intellectual honesty and policy relevance.

I am very thankful to the many miners, construction workers, unionists, corporate managers, engineers, entrepreneurs, ministers, and officials who shared with me their views and experiences. They patiently taught me the technical basics of copper mining, construction, and concessional loan financing and explained to me their challenges, grievances, hardships, and aspirations. For their advice and assistance in one form or another, I thank Jeremiah Sande, Geke De Jong, Sishuwa Sishuwa, Alfred Mwila, Jessica Daka, John Lungu, Sixtus Mulenga, Miles Larmer, Alastair Fraser, Tomas Frederiksen, Daniel Ivan Lin, Fan Qiu, Hu Xiang, and Tang Lingyu.

At UCLA, I have benefited tremendously from colleagues and graduate students who have collectively created and sustained a vibrant intellectual home for me since I arrived in 2008. Perry Anderson, Robert Brenner, Kevan Harris, Cesar Ayala, Michael Mann, Chris Tilly, and those affiliated with the Comparative Social Analysis Seminar in Sociology have all given me feedback on this project at various stages of its evolution. I thank the following scholars who invited me to present my research to and obtain feedback from a wide range of campus and public audiences: Deborah Davis, Helen Siu, Jeff Wasserstrom, Dorothy Solinger, Yang Su, Angelina Chin, Patrick Heller, Arne Kalleberg, Rebecca Karl, Hung Thai, Jean Oi, Andrew Walder, Youtien Hsing, John Burns, Tatiana Carayannis, Joshua Howard, Bai Gao, Thomas Janoski, Yao Lu, Beverly Silver, Michael Burawoy, Eddie Webster, and Avery Goldstein. Finally, Youtien Hsing's enduring friendship, contagious cheerfulness, and natural kindness have kept me company, clear-eyed and grounded wherever my work takes me.

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1

Unnatural Capital: Chinese State Investment and Its Travails in Africa

A specter is haunting the world—the specter of "global China."

An economic powerhouse of vast proportions, China has reached an expansionist moment after more than three decades of sustained growth. Overcapacity, falling profit rates, underconsumption, shrinking demand from traditional export markets, and scarcity of strategic resources are major imbalances that have driven Chinese corporations, workers, and entrepreneurs to go abroad in search of new opportunities. Since the early 2000s, encouraged by Beijing's "going out" policy, Chinese outbound direct investment has grown from virtually nothing to about US$100 billion per year in 2015, making China the world's third-largest source of foreign direct investment (FDI).[1]

The rapid pace and massive volume of this outward flow of capital and labor have cast China's miraculous economic growth in an ominous light. The country's recently announced infrastructure initiative "One Belt One Road," which promises construction of roads, railroads, and ports spanning Southeast and Central Asia, the Middle East, and East Africa, to be financed by a China-led multilateral bank, conjures up in many people's minds Chinese predation and threat on a global scale.[2] Nowhere is the specter of a "Chinese scramble" more salient and controversial than in sub-Saharan Africa. "China in Africa" has become a popular subject of global media reporting and think tank publications, a burgeoning new field of academic studies, and even a focus of dedicated research institutes and programs. Being singled out and problematized, Chinese capital is widely perceived as "unnatural" in a neoliberal world order that otherwise naturalizes the market and upholds the principle of free capital flow as sacrosanct. No other national source of investment has stirred a comparable level of concern and consternation in Africa, where some of the world's fastest-growing economies in the past decade are located and which therefore has become a popular destination of FDI from a wide range of countries.

A cursory glance at a few statistics illustrates the curiously disproportionate attention Chinese investment has attracted. Despite being the most visible and discussed, China is emphatically *not* the leading investor in Africa, whether in terms of stock, flow, or rank order of capital from the global North or the global South. The growth of Chinese FDI in Africa is real: it increased 46 percent per year, on average, from 2000 to 2010.[3] From a stock of $56 million in 1996, Chinese FDI in Africa rocketed to $3.2 billion in 2011, with an accumulated stock total of $16.24 billion by 2012.[4] But China's FDI stock in Africa represents only 3.82 percent of the country's total outward FDI stock.[5] China accounted for only 4 percent of FDI flowing to Africa by the end of 2011, according to a World Bank report. A 2013 report from the United Nations Conference on Trade and Development (UNCTAD) ranked China the sixth-largest source of investment in Africa by accumulated stock (behind France, the United States, the United Kingdom, Malaysia, and South Africa, in that order), and fourth by flow (behind France, the United States, and Malaysia, in that order) at the end of 2011. Analyzing central bank data from forty African countries, African Economic Outlook confirmed that the European Union and the United States were still the dominant sources of investment, contributing about 85 percent of FDI to Africa from 2000 to 2005, and 83 percent from 2006 to 2010.[6] As this book went to press, *World Investment Report 2016*, published by UNCTAD, found that China's FDI stock in Africa ($32 billion), despite a threefold increase from 2009 to 2014, trails behind that of the United Kingdom ($66 billion), the United States ($64 billion), and France ($52 billion).[7]

In the global public media, these systematic longitudinal statistics are routinely drowned out by more sensationalist, blatantly flawed journalistic reports. Deborah Brautigam wrote two monographs dispelling the many myths about China in Africa growing out of widely circulated but erroneous reports by reputable media outlets. These errors range from overestimating the size of Chinese loans, as when a reporter mistakenly substituted the term *US dollar* for the Chinese currency *yuan*, to relying on false rumors as evidence for the existence of Chinese land grabs.[8] In response to the perceived magnitude and success of Chinese investment, a global rhetorical battle has emerged between a largely Western discourse of Chinese neocolonial plundering and blatant disregard for human rights, on the one hand, and Beijing's lofty claim of promoting South–South cooperation, free of hegemonic aspirations or World Bank–style conditionality, on the other.[9] As articulated by politicians, policy makers, and public opinion leaders on both sides, these attention-grabbing discussions of China in Africa often conflate China's ambition and its accomplishments, misconstrue Chinese capital as a quantifiable thing rather than as a set of contested processes, and impute "Chinese-ness" to Chinese investors without comparing them with non-Chinese ones.

This book reinstates these critical but repressed issues: what has Chinese state capital actually done, through what processes and mechanisms, and how does it compare with other types of foreign investment? "Is Chinese capital a different kind of capital?" is a globally significant question that cannot be answered by rhetoric or statistics. I broach this question with a comparative ethnography of Chinese state capital and global private capital in Zambia's copper and construction industries. Specifically, I ask: What are the distinct mechanisms, interests, power, and limits of Chinese *state* capital in Zambia? For African states and labor, under what conditions will Chinese state investment become an alternative to global private capital?

Understanding the "China Difference"

I should be clear from the outset regarding what I mean by *Chinese investment* and *Chinese state capital* in this book. The global discourse about China in Africa has been hampered by most writers' generic use of the term *Chinese investment*, glossing over its significant internal diversity and the lack of control by the Chinese government over many companies originating from China. In Zambia, for instance, there is no official or institutional representative for Chinese investors individually or as a group. The two top Chinese officials posted in Lusaka by Beijing are the Chinese ambassador, sent by the Ministry of Foreign Affairs, and the economic and commercial counselor, sent by the Ministry of Commerce. These two officials do not have legal authority or organizational command over—or full information about—Chinese citizens and corporations in Zambia. By all accounts, the liaison between these two government organizations and the local Chinese population is voluntary and random, especially among private investors, taking the forms of Chinese New Year banquets, periodic informational sessions, informal counseling about corporate practices, and so forth. In recent years, these two ministries (or *xitong* in the Chinese state bureaucracy) have been locked in competition in Beijing to be the dominant driver of China–Africa relations, with the Ministry of Commerce reportedly gaining the upper hand over the Ministry of Foreign Affairs.[10] In Lusaka, this growing independence and power of the former was on public display in 2013 when it opened a new and imposing state-of-the-art office and residence complex for the economic and commercial counselor and his staff several kilometers away from the Chinese embassy.

Chinese investment in Zambia and in Africa more generally consists of a hierarchy of capital of varying status, resourcefulness, and connection to the Chinese government. At the top of this pecking order is investment by China's *central* state-owned enterprises (SOEs) and policy banks. The former are the 117 conglomerates under the direct control of the State Council's State-Owned Asset Supervision and Administration Commission (SASAC), while the latter include the Export-Import Bank of China (China EXIM Bank), which makes vast numbers of concessional loans for infrastructure construction, and the China Development Bank, which, in addition to commercial loans, also makes equity investments through the China–Africa Development Fund. Below these two are *provincial* SOEs, under the control of provincial SASACs, and private enterprises of varying sizes, and, on the bottom rung, entrepreneurial or family firms. In Africa, about one hundred large-scale state-owned or state-controlled shareholding companies account for 55 percent of the total amount of Chinese investment and these are concentrated in mining and construction.[11]

Ownership categories (that is, state-owned or privately owned) are poor guides to corporate objectives, however. For instance, as we shall see later, in the construction sector in Africa, Chinese provincial SOEs, despite their state-owned origin, are every bit as market- and profit-driven as Chinese private companies. Besides the false homogenization it implies, the label *Chinese investment* connotes the problematic, racialized presumption that investors' nationality and ethnic origins explain their behavior. Instead of the appearance of ownership and nationality, it is the interest of capital that is of the essence, politically and sociologically. Asking the question, "What and whose interests does a company serve?" leads me to differentiate two broad conceptual varieties of capital among those active in Zambia—state capital and private capital. The former serves interests defined by a sovereign state and the latter serves those of the shareholders. The empirical reality in Zambia is such that China is the only source of state capital, even though around the world, state investments in mining, energy, and strategic sectors hail from a wide variety of countries: France, Italy, Russia, Saudi Arabia, Norway, Chile, India, Brazil, and Malaysia, among others. The *Chinese* in *Chinese state capital* in this study therefore refers to Chinese state interests, not to Chinese culture or ethnicity. State capital of other countries likewise serves interests driven by the respective national configuration of state, politics, and economy. A theory of "state capital" will call for comparative analysis of state capital from various countries and is outside the parameter of this study. My goal here is to decipher the specificity of Chinese state capital by comparing it with global private capital, or publicly listed multinational companies serving shareholders' profit-maximization interest. These two ideal types, like all ideal types, are analytical and hypothetical constructs used as methodological devices to guide and structure my comparison.[12] They entail necessary simplifications of the empirical cases and are by no means exhaustive of all varieties of capital anywhere and everywhere. Rather, they are construed from the pool of existing investors in Zambia's copper and construction sectors.

What follows is an analytical framework that draws both on scholarship on contemporary China and Zambia and on classical sociology's conceptual toolkit for analyzing capital. This framework will structure the narrative of my comparative ethnography, and helps to historicize and theorize the global China–Zambia encounter.

FROM "VARIETIES OF CAPITALISM" TO "VARIETIES OF CAPITAL"

A natural point of departure for identifying the peculiarity of Chinese state capital in Africa is to trace its source to the political economic system that dispatches it. Two strands of scholarship—"Chinese state capitalism" and "capitalism in China"—have sought to theorize the distinctive features of China's development, offering some sensitizing ideas for studying "global China," a shorthand I use in this book to refer to China's economic expansion and globalizing strategy in other domains. Inspired by economic institutionalism and Marxian political economic theory, respectively, these two fields highlight two seemingly contradictory dynamics spurring China's economic growth. On the one hand, studies of Chinese state capitalism emphasize centralized control by the party-state over political and economic institutions, and, on the other, capitalism in China scholars point to decentralized, dispersed, bottom-up initiatives, even anarchic competition by local state and corporate actors. While both dynamics—centralized control and decentralized improvisation—are at work among Chinese state companies in Africa, I find both paradigms inadequate for grappling with the emergent phenomenon of global China and the peculiarity of Chinese state capital. Their common problem is that they conceptualize capital as abstract and aggregate, missing its concreteness and contestedness. In seeing China as a bounded and homogeneous "national" entity, they also lack the conceptual flexibility for understanding an increasingly globalized China and its variegated local impacts around the world.

The impression that outbound Chinese state investment is masterminded and calibrated by Beijing to execute a coherent and well-thought-out national grand strategy echoes the emphasis on state control in the scholarly literature on Chinese state capitalism. In style and substance, this literature parallels that of the influential "varieties of capitalism" (VoC) studies and postcommunist transition studies. Adopting the framework of comparative economic institutions, scholars conceive of a national capitalist economy as one founded on "institutional complementarity." That is, institutions in different parts of the economy and government reinforce each other, creating stable clusters or enduring institutional types. With an initial focus on advanced industrialized Europe, the VoC approach has since spawned analyses of the varieties of East Asian capitalism, VoC in Latin America, and dependent market economies in East Central Europe.[13] For China, the sociologist Nan Lin explicitly adopts the VoC rubric to describe Chinese state capitalism as "a centrally managed capitalism."[14] The characteristics he specifies are similar to what Victor Nee and Sonja Opper have described as "politicized capitalism"—the state's direct intervention in transactions at the firm level, taking the form either of state assistance in the firm's external transactions (as in assessing resources in state-controlled markets such as credit, land, or energy) or of state ownership of firms in strategic sectors, installing a politicized governance structure by appointing party officials as senior managers and by setting up party committees inside the firms.[15] Similarly, Kellee Tsai and Barry Naughton use the label *state capitalism* to denote a national economic order characterized by direct central state control of strategic sectors, Communist Party control over personnel, extensive industrial policy formulation, state control over finance via the banking system and equity markets, fragmentary and weak regulatory agencies, and a dualistic welfare regime privileging government-linked sectors, all operating within a predominantly market-based economy (hence, *capitalism*). They argue that Chinese state capitalism, in which many coordination problems (from corporate finance to governance, interfirm relations, vocational training, and industrial relations) are resolved through state intervention, is attaining long-term entrenched stability.[16]

The Chinese state capitalism literature is helpful in establishing some basic institutional features of the enterprise system from which many central SOEs active in Africa hail. As within China, outbound central SOEs are organized as "pyramidal business groups," with the Chinese state retaining majority ownership at the apex of the pyramid while lower-tier subsidiaries are turned into publicly listed companies, allowing the state to leverage market capital and competition without losing corporate control. Also, the power to appoint senior state managers rests with the Communist Party secretary of the group company, and top SOEs have access to state resources (especially credits and subsidies), giving the central government control over the state enterprise system at home and abroad. In the following chapters, I will document how these features make Chinese state companies less beholden to the dictates of the market and produce a much more controlled corporate culture among Chinese expatriates than those working for global private corporations, with important consequences for the Zambian state and labor. Yet, the institutional arrangements and power of central SOEs are just the starting point of analysis and local negotiations; they do not determine how these corporations behave in foreign countries. Central Chinese state control over SOEs in Africa is much more sporadic and open-ended than institutionalism assumes. Much depends on local improvisation and bargaining, especially in the developing world, where institutions play second fiddle to politics.

The second problem with economic institutionalism and the framing of Chinese capitalism as state capitalism is that "capitalism" is not theorized at all. Scholars describe the "Chinese" part of the concept but stop short of questioning the nature of "capitalism" as it has developed in China. Is Chinese state capitalism driven by accumulation for accumulation's sake and profit maximization, or are there other sociopolitical goals beyond profits? If the latter, do we need to problematize the meaning of "capitalism" as it is practiced in China? When Tsai and Naughton rightly observe that central SOEs are charged with profit making *and* security goals, including employment, social stability, and innovation, they simply label these security goals as "mission creep,"[17] dismissing them as distortions of and deviations from an ideal capitalist logic rather than using them to theorize the peculiarity of Chinese development.

The question "Is It Capitalism?" is picked up by Marshall W. Meyer, an economist not specializing in China. Meyer notes that institutionalized gross domestic product (GDP) growth is a more salient driver than corporate profits in the Chinese political economy. "Capitalism differs profoundly from institutionalized GDP growth. Capitalism is driven by firms, GDP growth by government. Capitalism seeks profits; institutionalized GDP growth production, employment, and ultimately, social harmony."[18] For China in Africa studies, Meyer's astute observations throw into sharp relief a set of central questions: What are the imperatives of Chinese state capital? Are they different from the capitalist imperative of accumulation for accumulation's sake? Do these imperatives compel different relations between Chinese and African states and labor? In more theoretical terms, we can postulate that "state capital" combines in one organizational form two logics of power—state logic and capital logic—and ask if the need to realize these goals simultaneously induces this type of capital to follow a different dynamic.

A second set of literature on Chinese development theorizes "capitalism in China," rejecting the methodological nationalism inherent in VoC theorizing of, say, German capitalism, Japanese capitalism, American capitalism, or, in this case, Chinese capitalism. Reinstating the "constitutive outside" of any national order of economy ignored by VoC studies, scholars inspired by Marxian and world system theories, such as Giovanni Arrighi, Beverly Silver, and Joel Andreas, analyze Chinese development as always conditioned by the combined and uneven development of a global capitalist system.[19] Instead of institutional complementarity, equilibrium, and stability, they focus on issues of accumulation, class, crisis, contradiction, and conflicts at the national and global levels.

Most relevant to this study is Ho-fung Hung's ambitious and sophisticated attempt to specify both the unique characteristics of the capitalist boom in China as well as its global impacts. Situating the China boom in the long historical trajectory of Chinese imperial and socialist regimes and the regional dynamic of Cold War East Asian development, Hung spotlights how China's reform and opening provide a spatial fix for the global capitalist crisis of overaccumulation since the late 1960s, while they also introduce the global accumulation crisis into China's own domestic development. He uses the historical experience of Japan, South Korea, and Taiwan to identify a major difference in China's boom experience. Quite counterintuitively, compared to China's East Asian neighbors' centralized developmental state model, local states are the leading agents or direct regulators of capital accumulation in China. Despite Beijing's attempt at fiscal reform, tightened discipline over government banks and lending policies, and strict regulations on local governments' debt-financed investment, the totality of these local developmental efforts has escaped central government control. "Anarchic competition among localities result[s] in uncoordinated construction of redundant production capacity and infrastructure."[20] Decentralized and anarchic local state-driven investment combined with authoritarian underconsumption (e.g., by extracting surplus from the rural hinterland to subsidize the export industrial economy) have led to sustained growth but also overdependence on export, especially to the credit-fueled market in the United States, and worsened the global crisis of overaccumulation. That is, China cultivates its own imbalances that exacerbate the global accumulation crisis by creating a distinctively repressive national regime of accumulation.

This China boom story is crucial for understanding global China. It is exactly such crises and imbalances in the domestic and global economies that drive Chinese investment to Africa and elsewhere. Besides, Hung's argument about decentralized improvisation, despite central government's intention and institutions of control, is a key lesson for studying global China. It is a constant theme in the wider China literature, where scholars have coined terms such as *fragmented authoritarianism*, *guerrilla policy making*, and *capitalism from below* to underscore the significant role of bottom-up initiatives by both grassroots state agents and social actors in directing the course of Chinese institutional and policy changes. From the collapse of communes, the rise of the household responsibility system and township village enterprises, and the elimination of agricultural taxes in the countryside to the provision of minimum livelihood guarantees, revisions of labor law, the formation of industrial clusters, and the emergence of a large class of private entrepreneurs, the central state does not always have the monitoring and coercive capacity to dictate change. China's strategy of "going out" is likewise ordained and promoted by the center but its execution and outcomes are equally, if not more, chaotic and unpredictable than these domestic ones. As Chinese corporations, managers, and entrepreneurs venture beyond the Chinese state's jurisdiction, the "local" in the case of global China consists of states and citizens of other countries. Even if Beijing can still wield many policy instruments to elicit some degree of compliance from its own domestic agents, it has no jurisdictional authority over the host countries or their citizenries. In Africa, Chinese state interests must contend with local African political economic and social pressures. As this book will show, the power of Chinese state capital is subject to constant contestations and change over time.

Curiously, when it comes to assessing China's global impact, Hung abandons his comparative political economic analysis that he so trenchantly applies to domestic Chinese development. Instead, he resorts to conjectures and structural determinism. Without offering any evidence other than clichéd perception of China's neocolonial intentions in Africa, he asserts that China's investments are driven by the same capitalist logic and national interest that drove the expansion of Western powers into the developing world. Inferring from trade statistics and economic structures of developing countries, he surmises that resource-rich countries may see growth generated by China's appetite for commodities, while those reliant on labor-intensive exports will be adversely affected by Chinese exports.[21] Aggregate economic indicators, useful and indispensable as they are for tracing the scale and structure of economic transactions, are static and summary snapshots that give us little clue to the dynamics and mechanisms that produce and reproduce them. They offer shaky grounds for grappling with an emergent global development with many possible outcomes.

Perhaps the dearth of empirical studies on how Chinese SOEs operate in Africa leaves analysts with few alternatives to either national institutionalism (à la VoC studies) or structural determinism (as in Marxian writings). My research reported in this book suggests that their respective insights—

centralized control and decentralized improvisation—are both at work in Africa but they fail to recognize (1) the primacy of politics in shaping the interests, capacity, and impact of Chinese state capital in Africa, and (2) the eventful nature of capitalism.

EMBEDDING THE THREE MOMENTS OF CAPITAL

Following William H. Sewell Jr.'s idea of eventful capitalism, China in Africa can be analyzed as an "event," like the Great Depression, the collapse of state socialism, the invention of Internet and e-commerce, and the Great Recession of 2008. It belongs to a rare subclass of happenings that *may* transform structures, in this case underdevelopment in Africa. This conception holds in one single plane of analysis the duality of systemic impetus, such as ceaseless accumulation and competition, and contingent events that can alter the effects and evolution of that impetus. An eventful approach to capitalism recognizes the dialectical relationship between capitalism's self-reinforcing, abstract, expansive logic and its hypereventful history. "The abstract dynamics of capital do not nullify the effects of events so much as shape these effects in particular ways. It is precisely through the medium of events that capitalism's expansive dynamics occur."[22]

An eventful sociological approach to global China opens up avenues of analysis that are easily closed off by more structural Marxist perspectives. Applied to this book, we can see Chinese state capital's "going out" as the Chinese state's attempt to resolve a set of intertwined economic and political problems—excess capacity, resource security, falling profit rates, and potential social instability arising from a faltering economy—at a moment of global and national crisis of accumulation and overcapacity and of Africa's struggle for development. But rather than deducing the logic of China's presence in Africa from the sweeping structural tendency of capital expansion leading to underdevelopment, we are led to analyze the multiple and contingent effects opened up by this event.

In short, Chinese state capital, at home and abroad, is Janus-faced, both centrally controlled and also capable of decentralized and local improvisation. If, within China, state capital is not just interested in accumulation for accumulation sake but pursues more encompassing goals of overall growth, employment creation, social stability maintenance, and technological advancement, then outbound state capital is equally likely to be tasked with multidimensional objectives. This imperative may or may not be leveraged by African states and workers, the other set of players with their own history, capacity, and interests, and is likely to produce uneven and contested outcomes.

Eventful sociology offers a heuristic framing device; it does not provide the conceptual tools necessary for concrete analysis of capital, whether state or private. For these, I return to key ideas in the writings of Karl Marx and Max Weber to analyze the three moments of capital—accumulation, production, and ethos—and highlight their constitutive contestations, or social embeddedness, à la Karl Polanyi. Whereas Polanyi offers a generic formulation of "commodification and countermovement" without differentiating the interests and power relations of domination according to the types of commodity or capital, my comparative ethnography shows how the two types of capital differ in these contested moments. In particular, it shows that state capital can actually empower a peculiar counteragency—the state of the host country, which is more easily short-circuited by finance-driven, globally mobile private capital.

Accumulation

Just as capitalism is not, though it appears to be, an "immense collection of commodities," as Karl Marx famously noted, so capital is not the same as the sheer amount of money. Instead, capital is a *relational process*, value in motion that appears in different forms (as money and as commodities) but adds values in the process of circulation and engagement with other social agents. Capital *happens* when a movement of value and valorization takes place. "Value therefore now becomes value in process, money in process, and as such capital."[23] Process is key because "the value originally advanced . . . not only remains intact while in circulation, but increases its magnitude, adds to itself a surplus-value, or is valorized. And this movement converts it into capital."[24] For Marx, the capitalist has a "boundless drive for enrichment," motivating a "passionate chase after value," and his aim is the "unceasing movement of profit-making."[25] "By turning his money into commodities which serve as the building materials for a new product, and as factors in the labor process, by incorporating living labor into their lifeless objectivity, the capitalist simultaneously transforms value, i.e., past labor in its objectified and lifeless form, into capital, value which can perform its own valorization process, an animated monster which begins to 'work,' as if its body were by love possessed."[26] The imperative of general or abstract capital is endless accumulation, using part of the surplus value extracted from living labor to reinvest in expanded production. Accumulation is propelled also by the coercive laws of competition among capitalists in search of higher productivity and surplus value.

In this book, the first moment of our comparative inquiry is what and how the two types of capital seek to accumulate. In my research, I found that profit making was common to both, although there existed a consequential distinction between global private capital's "profit-maximization" and Chinese state capital's "profit-optimization" goals. The Chinese case recalls Max Weber's useful reminder that if capitalism is the pursuit of rational economic action, then profit making is just one kind of utility. "Economic life, as Weber sees it, is to a large extent about appropriating, and preferably monopolizing, opportunities: opportunities for profit-making, market opportunities, and others."[27] Chapter 2 explores how Chinese state capital arrived in Zambia with a set of imperatives that included profit making *and other utilities*, therefore shaping its practices and relations with the Zambian state and labor in ways that, over time, differed from those of global private investors with the singular objective of profit maximization.

Production

It is one thing for capital to seek endless accumulation to maximize profit and utilities that it desires; it is quite a different matter whether it can realize those goals. Generating profit, or surplus value, depends on capital's consumption of labor power, which takes place outside the sphere of market exchange, in the "hidden abode of production, on whose threshold there hangs the notice 'No admittance except on business.'"[28] Production is a critical moment of capital that the VoC literature reduces to a coordination problem, but which has been the focal concern of Marxist scholarship on the labor process and production regime.[29] The "labor question" is two-pronged: for capital, it is a question of how to control and extract maximum surplus value from living labor, whose labor power can never be totally alienated from the laborer; for workers, it is a question of how to wrest control of their own humanity from capital, which treats it as a commodity. What happens at the point of production is not just the production of material things but also of class relations and a lived experience of those relations. But mechanisms of control and the repertoire of resistance are always shaped by a political apparatus of production, that is, the ensemble of legal, political, and market institutions that regulate and intervene in shop-floor politics.[30] In chapter 3, I will connect the imperatives of accumulation to the regime of production to show that, compared to global private capital, Chinese state capital was concerned more with stability than flexibility of production and sought to capture the use value of copper as well as its exchange value. These differences, together with pressure by both the Zambian state and labor, led to different crucibles of labor conflicts—exploitation by Chinese state capital and exclusion by global private capital.

Ethos

The third moment of capital pertains to what Max Weber calls the "ethos" or "spirit" of capital. Addressing the subjective orientations in social action, Weber describes the spirit of capitalism as an "inner worldly asceticism," or "the ability of mental concentration, as well as the absolutely essential feeling of obligation to one's job . . . most often combined with a strict economy which calculates the possibility of high earnings, and a cool self-control and frugality which enormously increase performance."[31] He found in Calvinism the religious sources of motivation that have inspired capitalists. The economic effect of Calvinism was to set loose the spirit of rationalized capitalism, but once established, its spirit lived on in secularized forms as utilitarianism and individualism, which continue to give an impetus to work, to save, and to reinvest.[32]

An ethos, then, involves both an inner moral compulsion and a practical way of life. If Chinese state capital arrived in Zambia with distinctive imperatives and interests, did its foot soldiers come with an ethos distinct from that of managers sent by global private capital? In chapter 4, I depict a Chinese managerial ethos of collective asceticism (or "eating bitterness," in Chinese parlance) and compare it to other expatriates' ethos of individualistic careerism. Tellingly, whereas the latter was normalized, the Chinese ethos that mimicked Weber's Protestant ethic on a collective scale became a salient point of cultural contestation in Zambia and Africa more generally. On the one hand, the Chinese are singled out among other expatriates for their "excessively hardworking" and "overproductive" culture, fueling the continent-wide rumor that Chinese employees in Africa are "prison labor" sent by the Chinese state. On the other hand, Chinese managers draw on a state-sponsored nationalistic discourse of "a hundred years of Western humiliation of China" as defense. Over time, though, I have noted changes in both Chinese and African perceptions and practices toward each other.

Embeddedness

It should now be clear that I analyze the three dimensions of capital as always "embedded" in the sense Karl Polanyi described in *The Great Transformation*. Fred Block has succinctly summarized the Polanyi paradigm as the "primacy of politics," consisting of three propositions: (1) markets are always and everywhere embedded, meaning that economic arrangements are constrained by intertwined economic, cultural, and political processes; (2) markets at the national and global levels are shaped by an ongoing double movement in which the project by some sectors of society to expand the market always generates self-protective movements by others to subordinate it; and (3) political contestations occur at multiple levels—local, regional, national, and supranational—shaping the economic paths available to societies at any given moment.[33] In recent years, sociologists have found Polanyi's historical work to be of immense contemporary and global relevance as capitalist marketization reaches far corners of the world; inflicts ravages on land, labor, and environment; and triggers global movements seeking to limit the commodification of every aspect of human life.[34]

Throughout this book, readers will find this Polanyian analytical lens a useful tool for understanding the dynamics of much of the empirical evidence I collected in the field. Yet, this study of the two varieties of capital also points to ways to reinstate two missing elements in the Polanyian framework. First, "embeddedness" is multidimensional. Most political and economic sociologists theorize its political institutional (i.e., legal regulation and state policies) or ideational (i.e., "ideas or public narratives and explanatory systems by which states, societies, and political cultures construct, transform, explain, and normalize market processes") manifestations.[35] But there is also a moral or normative dimension to embeddedness and struggle constitutive of market and capital. This will become obvious in the cultural contestations surrounding the Chinese ethos of collective asceticism. Second, instead of a generic "commodification" or marketization process, we have to distinguish different types of commodity, market, and capital as generative of a spectrum of relations and countermovement agency, strategy, and capacity. Other scholars have documented how finance capital engenders relations of indebtedness, industrial capital that of exploitation and insecurity, and landed capital that of dispossession, spawning countermovements that correspond to and leverage characteristics of the particular variety of capital.[36] This comparative study of Chinese state capital and global private capital will show that the former actually empowers the host country state as a counteragent due to state capital's interest in accumulating nonmarket utilities that only another sovereign state can deliver.

ENTER ZAMBIA: LEGACIES OF UNDERDEVELOPMENT AND STRUGGLE

To talk about embeddedness is to bring to center stage what has been marginalized in most accounts of China in Africa: Africa. Global debates about China in Africa often take Africa's powerlessness and passivity for granted in the face of the rising power of China. Yet, my fieldwork encounters with Chinese entrepreneurs and managers were often filled with spontaneous expressions of exasperation and complaints about "local resistance," which forced them to change and adapt. Rather than as mere background information to the China in Africa story, Africans' lived experiences of underdevelopment and their legacy of struggles are essential analytical elements in the relational making of Chinese state capital (and global private capital, for that matter). There is no denying that a structural imbalance of power between China and Africa exists. But Africans' deep and enduring frustration with the lack of development despite their countries' rich natural endowments is a potent material, political, and social force confronting and constraining China's expansion in the continent today. Zambia is a paradigmatic, but by no means singular, case illustrating this dynamic. Certain features of its political economy have resulted from some continent-wide historical experiences. I highlight three aspects of that history most consequential for foreign investors—dependent underdevelopment, the rise of populist politics and resource nationalism, and the legacy of popular struggles. Throughout the following discussion, I refer to Michael Burawoy's 1972 ethnographic study of the Copperbelt mines as comparative benchmarks for tracing Zambia's trajectory of development and decline since the early years of independence. If the *economic* predicament of a copper-dependent ex-colony has persisted, or even worsened, in the decades that separate our studies, the *politics* of underdevelopment has witnessed significant transformation, a transformation reflected in both our different analyses and the different channels of power that granted us access to the field—capital for Burawoy and the Zambian state for me (see the appendix).

Dependent Underdevelopment

The rich deposit on the Copperbelt (part of Northern Rhodesia under British colonialism after 1889) has attracted mining financiers from the United States, Britain, and South Africa since the 1920s. By 1945, Zambia's contribution made up 13 percent of total world copper exports, and by the time of the nation's independence in 1964, it was reckoned a middle-income country with excellent prospects for full industrialization. Two Western mining companies maintained oligopolistic control over Zambian copper—Anglo American and Roan Selection Trust—with capital coming from South Africa and the United States, until nationalization in 1969.[37] This was the economic context for Burawoy's *The Colour of Class on the Copperbelt* (1972), which used "Zambianization" in the mining industry as an empirical prism through which to examine the broader realignment of class interests and power in the transition to postcolonialism. He found that workers were interested in real material improvement and wage increases rather than Zambianization's promotional opportunity for the few. No one was genuinely interested in replacing the power balance of the colonial racial order, despite the ideology and implementation of Zambianization. In short, political independence did not eradicate underdevelopment and economic dependency on a single commodity, a situation all too typical of African countries. The end of colonialism was merely the beginning of neocolonialism.[38] But with hindsight, those immediate postindependence years in the 1960s turned out to be a golden age for Zambians in terms of material standard of living and national ambition.

Four decades later, by the time I began this study in 2007, two major developments had happened that would become particularly consequential to Zambia's engagement with foreign investment. First, dependence on export of copper had been exacerbated by dependence on credit from international financial institutions and donor countries when copper prices went on a secular decline from the mid-1970s to an all-time low in 2001. Loans from the West (beginning with nonconcessional borrowing in the 1970s, followed by six World Bank and two International Monetary Fund [IMF] loans between 1991 and 1996) and the Heavily Indebted Poor Countries (HIPC) debt-relief program from 1996 to 2005 imposed on Zambia two decades of structural adjustment and austerity measures. Zambia was forced to privatize state-owned assets, including the copper mines and mine-linked firms, selling them at extremely low prices to foreign or well-connected domestic buyers. Moreover, extraordinarily investor-friendly development agreements signed with these foreign investors deprived Zambia of an important source of tax revenue. In contrast with the 1960s, when taxation on copper accounted for 50 percent of government revenue, the corresponding figure fell to 4 percent between the mid-1970s and the early 2000s, and to an astonishingly anemic 1.6 percent between 2001 and 2007.[39] Whereas the classic developmental challenge for a resource-based country like Zambia is dependence, the grimmer reality after privatization has been the state's inability to depend on or extract copper taxation.

Dependent underdevelopment has worsened during the past four decades, now rooted in both commodity market volatility and creditor-imposed conditionality. James Ferguson's ethnography of decline and despair captures the human experiences tersely summed up by these statistics: "According to the World Bank, per capital income in Zambia fell by more than 50 percent from 1974 to 1994. . . . GNP [gross national product] per capita meanwhile, shrunk by an average of 3.1 percent per year from 1980 to 1993 . . . leaving Zambia near the bottom of the World Bank's hierarchy of 'developing nations' (only 25 countries ranked lower). . . . As of 1991, the bank reports, about 68 percent of

Zambians were living in households with expenditures below a level sufficient to provide 'basic needs' and 55 percent did not have sufficient income even to meet basic nutritional needs."[40]

Besides deepened dependence, the second change was the internationalization of capital on the Copperbelt due to privatization of the copper mines in the 1990s. A new configuration of global capital emerged in ways irreducible to the classic metropolis–periphery dependence. Thanks to neoliberalization, there are significantly more foreign mining companies today (ten instead of two among the large-scale copper mines), hailing from both the global South (India, Brazil, South Africa, and China) and the global North (Canada, Australia, and Switzerland). Although Zambia is still dependent on foreign capital, the plethora of foreign companies allows the government more choices and bargaining leverage (see chapter 3). But how the state makes use of this opportunity is shaped by its institutional capacity and by popular political pressure.

Zambian State: Patrimonial and Populist Politics

Besides reconfigured capital, the Zambian state and the country's politics have developed new tendencies since the days of Burawoy's study in the late 1960s. The African state is generally understood as a failed, patrimonial, and predatory vehicle of underdevelopment, notorious for its rampant corruption and dictatorial "Big Man" rule.[41] The lack of state developmental capacity in Africa has to do with the legacy of colonial exploitation, which, as Zambian history illustrates, excluded Zambians from social and economic resources and left a society without control of capital or skills, without a bourgeoisie or the institutions of civil society. In a society of extreme poverty and inequality, the postcolonial state was the most concentrated institution of power and resources. Political mobilization was organized around clientelist exchanges, rather than on the basis of ideology or class interest. "Over time, African governments became preoccupied with the need to manage patronage, making them intolerant of internal debate and increasingly inclined to use presidential power to control and ration the distribution of patronage."[42]

In Zambia, despite the ideology of "humanism," a one-party authoritarian regime consolidated power from 1972 to 1991 under Kenneth Kaunda. Kaunda only agreed to multiparty election in the wake of sustained decline in global copper prices, widespread social protests against structural adjustment, the collapse of communism in Eastern Europe and the Soviet Union, and the desirability of capitalism and democracy to donors. Unfortunately, when Frederick Chiluba's Movement for Multiparty Democracy (MMD) swept into power in 1991, full-fledged structural adjustment had reduced Zambian multiparty democracy to a "choiceless democracy."[43] On the one hand, "the ideology of rolling back the state, and the policies of deregulation and privatization have, if anything, reduced the capacity of government to regulate corruption rather than reducing corruption itself."[44] On the other, disciplined by austerity measures, the state failed to mitigate mass suffering or respond to citizens' demands, so much so that Chiluba infamously told his main constituency, Zambian workers, to "die a little" for the country.[45]

By the early 2000s, even as political liberalization failed to arrest economic decline or increase state capacity, multiparty electoral competition had channeled decades of popular grievance and urban protest movements into populist politics and resource nationalism. Found also in other resource-based developing economies such as those of South Africa, Zimbabwe, Bolivia, Venezuela, and Peru, *resource nationalism* refers to the popular demand that the general public of the natural-resource-rich host nations should have a fair share of the wealth investors generate and that governments should be assertive toward foreign investors.[46] In Zambia, Michael Sata and his party, the Patriotic Front, successfully expressed the urban electorate's concerns in populist language and symbols and thereby claimed the support of Zambia's workers, the poor, and the unemployed.[47] Sata's campaign slogan, "Zambia for Zambians," not only resonated among the general electorate, especially in urban areas and the Copperbelt, in the 2006 election; it also compelled the ruling MMD government to adopt more aggressive and assertive policies toward foreign investors. Emboldened by four years (2004–2008) of rising copper prices, the Zambian government unilaterally imposed a new mining taxation regime, effective from April 2008, which basically altered the terms of the development agreements signed with foreign investors and allowed the state to capture a greater share of the windfall profits and more than double existing government revenue from mining. The accession of Sata and the Patriotic Front to power in 2011 "was the clearest sign of a renewed political discourse of national developmentalism that transgressed party boundaries and suggested an emerging political consensus that the worst results of neo-liberalism needed to be reversed."[48]

Sata's populism was not just rhetoric. Riding on Zambia's strong economic growth (averaging 8 percent during the 2004–2013 decade), the Patriotic Front government had the mandate and resources to pursue a pro-poor policy agenda never seen during two decades of MMD rule—raising the minimum wage, increasing civil servants' salaries, constructing and rehabilitating thousands of miles of roads nationwide, undertaking rural electrification projects, and constructing new health clinics.[49] The government also doubled the royalty tax on mining companies, imposed more stringent oversight on foreign-exchange transactions and initiated an industrywide forensic audit to ensure full tax payment by these companies. Buoyed by resource nationalism, President Michael Sata famously revoked the work permit of the CEO of Konkola Copper Mines (KCM), the largest mining investor in the country, and threatened to cancel its mining license when KCM announced its plan to dismiss 1,529 workers in November 2013.

This schematic review of Zambian state evolution over the past four decades brings to light the layered historical characteristics of the Zambian state today, at once authoritarian and clientelist, yet populist. The seven years covered in this study were a rare moment marked by the rise of a populist party riding the wave of resource nationalism during a commodity boom, allowing for African assertiveness vis-à-vis foreign capital. This was a significant departure from the days of Burawoy's study. In a recent revisit of his own analysis, Burawoy pointed to the error of reifying the Zambian state as "having a singular and consistent set of interests," which he considered structurally determined by its economic dependence on foreign capital. He now proposes instead, "Behind any 'macro-force'—in this case the state—are a set of processes that produce that force, processes that should, in principle, be interrogated."[50] One important force shaping the evolution of the African state is the long tradition of popular opposition and struggles.

A Legacy of Struggles

The history of African popular struggles often eludes foreign investors or analysts who assume that poverty and backwardness stifle people's will and capacity for collective action. Instead, the unmet expectation since independence of rising standards of living, expansion of public goods provision, and upward social mobility consistently fueled angry villagers and workers alike to participate in protest movements. The historian Miles Larmer has documented how popular struggles—involving workers, the Catholic Church, student organizations, the legal community, and left-wing intellectuals—were the key impetus for watershed political economic events in postcolonial Zambia: nationalization of copper mines and the declaration of a one-party state under the United National Independence Party (UNIP) in the early 1970s, riots against structural adjustment in the 1980s, the return to multiparty democracy in the 1990s, and resource nationalism and reform of mining taxation in the 2000s. These elements of opposition did not always form cohesive campaigns, and might lack coherent ideology or stable organization, but they were at the forefront of societal demands for change and represented the aspirations of ordinary Zambians more effectively than conventional political parties did.[51]

One salient and enduring feature in the working-class history of Zambia is the independence and radicalism of the rank-and-file workers vis-à-vis the trade unions and their leadership. As the unions succumbed to state cooptation right after independence, Burawoy's survey among the mine workers in 1969 showed widespread dissatisfaction with their union, Mineworkers Union of Zambia (MUZ). "Workers are very conscious of the way the Union has been bureaucratized, with the leadership becoming increasingly remote. To many, in fact, the leadership appears as a privileged class which is given political support from the Government and management while deriving its wealth from the workers' subscriptions"[52] Forty years later, strikingly similar comments were made to me during my fieldwork in the mines! Larmer's detailed history of the Zambian mine workers also found the independence of mind and action among the ordinary workers as they rebelled against the state's diversion of revenue from the nationalized mines to the personal coffers of politicians. "Mineworkers' local workplace and community organizations enabled an effective expression of their expectations and grievances. They elected local leaders who were able to resist state repression, overcome undemocratic MUZ structures in order to challenge and replace the union's leadership and provide a vital organizational base to the multiparty movement of 1990–91."[53] With the arrival of new investors around the year 2000, Zambian workers confronted the same challenge as their counterparts elsewhere—the proliferation of casual and precarious employment. Will grassroots dissent, without formal organization, dissipate as a political force, unable to surmount the demobilizing impacts of labor market volatility? Or will entrenched poverty and underdevelopment constantly channel the popular quest for a fair share of their country's wealth to other forms of mobilization? Chapter 5 will address these questions.

All in all, at the turn of the new millennium, the current wave of Chinese and other foreign investment arrived in a Zambia characterized by a copper-dependent underdeveloped economy, a patrimonial and fiscally disempowered state under strong electoral pressure to champion resource nationalism, and a working class with a long history of resistance. These were the local conditions that Chinese state capital and global private capital had to contend with and adapt to in order to realize their objectives. Compared to the late 1960s, when Burawoy was researching the Zambian copper industry, the global neoliberal economy in the twenty-first century brought a more diversified range of capital to Zambia. For all its fiscal and capacity deficit, the Zambian state was compelled, in the wake of political liberalization, to respond to the amplified pressure of political competition and popular resource nationalism with more assertive policies toward foreign investors.

Forty years of political economic changes are not merely social facts; they also in a very concrete way dictate the modes of Burawoy's and my entry into the ethnographic field sites. Then, as now, foreign capital was a powerful player, but over time the Zambian government has certainly mustered more power and legitimacy vis-à-vis capital. That may be why Burawoy obtained the consent of capital, whereas I was granted access with the backing of the Zambian state. Through personal connections to the top mine executives, Burawoy became a full-time employee in the personnel research unit that serviced the two mining companies in the immediate postindependence era: Anglo American Corporation and Roan Selection Trust. I tried to follow a similar route, but my request to conduct research inside the mines was easily and roundly rejected by the major mining companies. It was only after some fortuitous turns of events and a stroke of providential luck that I was granted access to the mines with the assistance of the Zambian vice president and his administration. The mining companies simply could not say "no" to a request coming from the Zambian government. The circumstances of our respective field entries signaled at least some shift in power between capital and state over the past four decades.

I will discuss the odyssey of my fieldwork, together with the myriad and layered issues of power, ethics, and identity, in the final chapter, but now I turn to the question of method and to making a case for using ethnography to capture the macroscopic, global phenomenon of China in Africa.

Global and Comparative Ethnography

Ethnography is not a magic wand that can illuminate and resolve any sociological puzzle. But for understanding the peculiarity of Chinese state capital in Africa, ethnography offers unique advantages. First, as this study adopts the theoretical perspective that *capital is process, relational*, *and embedded*, ethnographic research is necessary. Second, contrary to the assumption that ethnography is inherently micro, interpretive, and presentist, the ethnography practiced here follows the "extended case method" tradition, which links microlevel processes to macrolevel forces and structures by setting local and current relations in the context of the historical past and forging an explanation that takes into account the meanings of social action. The "macro" domain is accessed through theoretical and historical "extensions" from the concrete sites of participant observation. It follows that ethnography is not just possible but preferred in studies of "the global," or social phenomena that are constituted through and by social processes and relations across multiple scales and sites. The global can manifest as global forces, global connections, or global imaginations, often as interrelated slices of a particular transnational issue.[54] In this case study of China in Zambia, with fieldwork in copper mines, construction sites, and various government ministries in Zambia, my ethnography, as Gille and O'Riain have suggested, is strategically located "at critical points of intersection of scales and units of analysis and can directly examine the negotiation of interconnected social actors across multiple scales."[55] Specifically, I observed how managers of the various mines and construction projects reacted to fluctuation in the international copper market and changing demands and imperatives of parent companies headquartered in London, Beijing, or New Delhi (i.e., global forces); how they negotiated with labor and different arms of the Zambian government; how companies, careers, and labor networks spun across continents orchestrated production in Zambia (i.e., global connections); and how popular criticism of and discourse about Chinese investment and labor practices affected the Chinese people's consciousness about the world and their place in it (i.e., global imaginations).

Another methodological advantage of ethnography for this topic is its unique sensitivity to contestation and contingent potentiality. That is, China may present Africa with opportunities to break its historical trajectories of resource dependency while Africans also sustain creeping resistance to Chinese power. Ethnography is a method of choice because its aperture can capture subaltern challenges and alternatives that are fleeting and feeble, and easily crushed by the structural power of the status quo. These subterranean potentials for change, although seldom registered as historical and statistical data points, are an integral part of social reality.

A TALE OF TWO CAPITALS AND TWO INDUSTRIES

As the empirical puzzle of this study is the *peculiarity* of Chinese state capital, comparison is indispensable. There are two dimensions of comparison: two varieties of capital (state and private) and two economic sectors (mining and construction).

During my first trip to the Copperbelt Province in Zambia, I was struck by the number of multinational mining companies along the major road from Kitwe to Chambishi, Chingola, and all the way to Chililabombwe, bordering the Democratic Republic of Congo. In construction, too, there were South African, Indian, and Lebanese investors competing with Chinese ones. Beginning with the folk notion of categorizing capital by national origin, I started the project with the idea of comparing Chinese with non-Chinese companies. But I was quickly "disciplined" by the field: after a few months of initial interviews, I realized that instead of nationality (Chinese, Indian, Swiss) or ownership categories (private or state), it was "interest" that distinguished the varieties of capital.

The three mining companies in this study are conventionally designated by the Zambian government and the public as the Chinese, Indian, and Swiss mines, respectively, following the national origin of the parent companies, the majority shareholders, or their founders. Yet, assigning nationality labels conceals more than reveals the interests of capital. For instance, Konkola Copper Mines (KCM) in Chingola is generally known as an Indian-owned company, because the parent company, Vedanta Resources, was established by an Indian in India and has major mines and manufacturing facilities in India. But Vedanta is a publicly traded multinational listed on the London Stock Exchange, with its founder and chairman now a resident in both the United Kingdom and India. KCM's profit-maximization goal is no different from the so-called Swiss-owned Mopani Copper Mines (MCM) in Kitwe, whose parent company is Glencore, a London exchange–listed multinational headquartered in Switzerland but whose operations span the globe. Despite their different national origins, the two global private mining companies share the same fundamental objective of shareholder value maximization. This is in contradistinction to the Chinese state mining company, Non-Ferrous Metal China, Africa (NFCA), whose parent company, China Nonferrous Metal Mining (Group) Company (CNMC), is one of the 110 central SOEs under the direct control of the State Council and seeks to realize the "profit plus" interests of the Chinese state. For the construction sector, I look at Chinese concessional loans and Chinese state-owned companies undertaking concessional loan projects, comparing them with foreign private companies headquartered in countries such as South Africa and India.

Why copper mining and construction? These two sectors were chosen because of their centrality in the portfolio of Africa-bound Chinese state investment as well as in Zambia's economy and labor market. When China formally announced the national strategy of "going out" in 2000, resource extraction (e.g., copper) and project contracting (i.e., construction) were two of the four main investment types receiving policy support.[56] The problem of resource depletion in high-grade copper and iron was a major concern of the Chinese government, which was eager to "lay up necessary reserves of mineral resources vital to the national economy and the people's livelihood, and ensure the safety of the country's economy as well as the sustained and safe supply of mineral commodities."[57] Under this general policy, CNMC's acquisition in 1998 of the copper mine in Zambia was the first of other acquisitions of nonferrous mineral mines overseas in Pakistan, Peru, Afghanistan, and Mongolia.[58] Instead of resource scarcity, the impetus for the construction sector to go global was overcapacity, a problem that stemmed from China's use of subsidies to grow industrial sectors and the frantic competition among local officials to show growth. From chemicals and cement, earthmovers and steel, to flat-screen TVs and automobiles, excess capacity had driven down prices and profits inside and outside of China. The problem was exacerbated by Beijing's stimulus package in response to the financial crisis in 2008, which unleashed another round of debt-fueled growth. The construction sector had a particularly acute problem of overcapacity as state-led fixed-asset investment had long accounted for an unusually high proportion of China's GDP.[59] As "severe" overcapacity plagued steel, flat glass, cement, and aluminum, Chinese construction companies had become competitive globally.[60] In 2012, Africa accounted for 35 percent of China's overseas contract work completed.[61]

For Zambia, copper was and is king. Historically, extraction of copper integrated Zambia into the global economy back when British colonialism began in the late nineteenth century (though Zambia was officially declared a colony only in 1924). Today, copper is still the linchpin of the economy and the main source (70 percent) of foreign earnings. Even after privatization, the Zambian government has remained a minority (15–20 percent in most cases) shareholder in all the major foreign-owned mines through the holding company ZCCM-IH (ZCCM Investments Holdings). A central element in the government's strategic vision for mining development is value addition. Laid out in various policy and strategic documents, including the Mineral Resources Development Policy (2013) by the Ministry of Mines, *value addition* means the processing of raw mineral resources into finished products, maximizing local content, and capturing all viable upstream, downstream, sidestream, and lateral linkages from the mining value chain.[62] The goal is a mining sector that contributes in excess of 20 percent to GDP by 2030.[63] In contrast, the construction industry is mainly valued for its potential for creating employment and entrepreneurial opportunities. A construction boom has happened in the past decade as a result of the revival of the mining sector and rising copper prices, Zambia's attainment of the completion point of the HIPC debt-relief initiative, and the availability of Chinese loans for construction. Yet, compared to mining, the rhetoric of empowering local contractors and workers overshadows the actual implementation of policies designed to bring that about.

Beyond their political economic import for China and Zambia, the comparison between mining and construction has theoretical significance. First, resource extraction is considered a strategic sector for both countries, whereas construction is not. Second, the labor processes of mining and construction have diverse consequences for workers' political capacity. Extractive industry, in this case copper mining, entails relatively long-term and locality-bound investment. Workers in copper mining in Zambia constitute the most organized segment of the Zambian workforce and boast a long tradition of political mobilization in anticolonial struggles and postindependence labor movement. In contrast, work in the construction industry is organized around short-term building projects that move around. Construction workers are notoriously difficult to organize and are subjected to the most unrelenting process of casualization worldwide. These two industries are therefore theoretically representative of two contrasting types of work conditions and two types of class balance between capital and labor in the developing world. Mining is a case of organized labor and place-bound capital in a strategic sector, while construction is a case of casual labor and footloose capital in a nonstrategic sector.

Although no single country is representative of Africa, where diversity in political economic conditions and natural endowments defy continent-wide generalizations, Zambia is a "critical case" for understanding China in Africa for several reasons. First, Zambia has long been Africa's top copper producer,[64] and the Chambishi mine was the first overseas mine ever acquired by a Chinese state-owned company. It therefore is an exemplary case of the Chinese state resource hunt abroad. Zambia ranks fourth (after South Africa, Sudan, and Nigeria, in that order) in China's FDI stock portfolio in Africa.[65] An estimated twelve thousand to fifteen thousand Chinese migrants lived in Zambia, or less than one-tenth of 1 percent of Zambia's thirteen million population in 2015.[66] In 2011, China, with an accumulated $852.2 million, was the fourth major source country of FDI stock in Zambia, after Australia, Canada, and the United Kingdom.[67] Second, Zambia has been one of China's closest allies in Africa for four decades, a relationship epitomized by the famous Tazara railway built and funded by the Chinese in the late 1960s and early 1970s. Arguably, Zambia provides the most favorable political conditions for Chinese investments. Therefore, if China encounters formidable challenges there, it will likely be even more difficult for Chinese capital elsewhere, where less African government support is available. Third, Zambia is the inaugural site for a number of Chinese state-owned special economic zones in Africa. As the first of its kind, the footprint of Chinese state capital is deeper here than elsewhere, allowing for an analysis of the process and dynamic of transformation, bringing to sharpest relief the opportunities and constraints for China and Zambia.

STUDYING UP AND DOWN

Without a doubt, gaining access to Chinese state and global capitals was *the* biggest challenge for this ethnographic project. As a U.S.-based sociologist of Hong Kong Chinese descent parachuting into Zambia with no local contacts and only an intellectual question, I started this research from below—people who were relatively powerless and therefore less likely to reject my intrusion into their lives. Miners, construction workers, and their unions were my first informants, giving me my first lessons on African society and politics and introducing me to the lay of the land, their industries, their perceptions of different foreign investors, and their government. But "studying up" from the position of an ordinary academic was truly a wishful and Herculean proposition. In the end, persistence paid off and luck came to my rescue.

The first breakthrough came in 2009, when I fortuitously spent a few days at the Ndola International Trade Fair, a national exhibition event that dates back to preindependence days (1956), and attended a presentation by the director of the National Council for Construction (NCC), the government body that oversees the registration and regulation of all construction companies operating in Zambia. Away from his office in Lusaka and having just finished his official duty, the director was relaxed and in a mood to sit down with a curious sociology professor from the United States. After an amiable and animated hour-long conversation in which he shared with me his observations and concerns about the dominance and practices of Chinese contractors flooding the Zambia market, I proposed to him that the NCC and I conduct a collaborative study, comparing Chinese with non-Chinese contractors. Having written a dissertation for his doctorate in architecture in Newcastle, England, he understood instantly how this study could furnish him with objective facts rather than rumors about how foreign contractors actually operated. A few months later, we signed a memorandum stating our respective responsibilities and co-ownership of the data collected. I paid my own expenses, but the NCC assigned an inspector, a vehicle, and a driver to travel with me to the sites around the country where major foreign and Zambian contractors had ongoing projects between 2010 and 2012. Back in Lusaka, we visited the head offices of these construction companies and also talked to procurement officials of the Zambian government handling the bidding and awarding of construction contracts.

The mining sector proved to be a much harder nut to crack. Foreign-invested copper mines, state-owned or publicly listed, were elite players in the universe of powerful corporations. Like gated kingdoms, they projected a menacing physical presence, greeting visitors with layers of security checks and warnings of proprietary claims on everything from company statistics to pebbles on the ground. Even though I had a sense of what went on inside the mines through interviews with the major miners' unions, their shop stewards, and rank-and-file miners, as an ethnographer I knew that interviews could never substitute for participant observation. My first opportunity came when a Chinese friend who worked in the personnel department of the newly built Chinese state-owned smelter introduced me to her boss and proposed that I work without pay in the smelter to teach English to his Chinese staff. But my job interview with the general manager—who was also the Chinese Communist Party secretary there—ended disastrously. The party boss did what any twenty-first-century manager would do—he Googled me and was upset by my publications on labor protests in China and Zambia. After lecturing me about how the global discourse on "China's scramble for Africa" was just the latest instance of the West's humiliation of China, he sent me packing. I had no choice but to "defect" to the other side. Miraculously, at around the same time, I befriended a Zambian opposition politician who took an interest in a paper I wrote on China in Zambia. We hung out in Lusaka over after-hours drinks, trading frustrating stories about our respective lines of work. Consoling me after my failed job interview at the smelter, he said, "Wait until we are in power." I did, and his party, the Patriotic Front, won the 2011 election! As the vice president of the Republic, he called up the CEOs of the major mines and ushered me in as a Zambian government consultant.

From 2012 to 2014, I spent a total of six months in five copper mines owned by multinationals. Keeping the production process constant, I eventually decided to compare only the three mines with underground operations on the Copperbelt, leaving the two newer open-pit mines in North-Western Province out of this study. In each mine, I tried to quietly overstay the initially agreed duration of my presence until senior management made it explicit that I was no longer welcome. The ethnographic fieldwork in these mines entailed shadowing managers as they went about their work underground and in the processing plant, observing production meetings and collective bargaining negotiations, living among expatriate managers in company housing, and interviewing them in their offices. On weekends, I continued my visits to mining townships and talked to miners in their homes. In addition, I worked with, observed, and interviewed Zambian government technocrats and politicians on their handling of China–Zambia relations. As his informal advisor on Chinese affairs whenever I was in town, the vice president always invited me to sit in on his meetings with Chinese officials and businessmen. He also asked me to tag along during his first trip to China, right after the Patriotic Front took power. Toward the end of the research in 2014, the vice president's office called a meeting at which I presented my findings to the ministers and their permanent secretaries in the ministries of finance, mines, labor, commerce, and industry.

Just as in any other ethnographic project, obtaining access from the elite only meant I had one foot in the door. How wide the door would open depended on how I managed the ensuing process of negotiation for data collection. The top brass had their interests, inclinations, and ideas, as did the cascade of their subordinates, the unions, and government officials. After all, the situation was understandably confusing and no one knew what to do with me, a Chinese-speaking and Asian-looking American researcher working as a consultant to the Zambian government and sent by the vice president to work and live in their midst, asking questions about their companies and their lives. Like any ethnographic project, it was an adventure, from the sublime to the mundane, to be recounted in the final method chapter to help other fieldworkers be more prepared than I was.

Argument in a Nutshell

"Is Chinese state capital a different kind of capital?" The answer this book offers is, yes, it can be *made* different under certain conditions. Through a sustained comparison between Chinese state capital and global private capital in Zambia's copper and construction sectors, I found that these two types of capital came to Zambia with different imperatives of accumulation, driving them to run different regimes of production, which in turn were enabled by different ethoses of management. Counterintuitively, Chinese state capital, rather than being more dominant and influential, has made more compromises to accommodate Zambian state and labor demands than global private capital has. This has happened in copper mining, in which a political synergy between the Zambian state and society had emerged during a period of rising commodity prices and resource nationalism, but not in construction, a sector marked by a lack of state strategy and labor capacity.

Chapter 2 looks at the first moment of capital—its accumulation imperative. In both copper and construction, Chinese state capital arrived in Zambia embodying both the logic of capital and the logic of the state, and driven by an encompassing set of imperatives, which include profit making, extending China's political and diplomatic influence, and gaining source access to strategic minerals. This is in contrast to global private capital's single-minded pursuit of profit maximization. But having broader objectives does not necessarily make state capital more powerful, an erroneous leap found in most writings on the subject of China in Africa.[68] Quite the contrary. Realizing these objectives, which critics have rhetorically assailed as "neocolonial" or "imperialistic," in a postcolonial and neoliberalized world, without the coercive means of military conquests or monopolistic chartered companies, compels Chinese state capital to solicit Zambia's consent. Exactly because of its more ambitious agenda, which cannot be reduced to profit, Chinese state capital has been more concessionary and negotiable with Zambian state and society than global private capital, whose singular profit-maximization imperative renders it less territorially and politically bounded. In this sense, Chinese state capital, despite its origin in a centralized economic order, is paradoxically more embedded, that is, more prone to local pressure and local improvisation, than global private capital. Chapter 2 uses several market-defying corporate decisions by the Chinese state mine, including the establishment of two Chinese special economic zones, to show that Zambia was able to leverage the China difference to create an opportunity for copper value addition, a long-standing developmental strategy of Zambia. In construction, however, the lack of state developmental vision and labor capacity turns Chinese state capital, in the form of interest-bearing concessional loans and infrastructural projects, into a predatory and pernicious threat to Zambia's long-term solvency.

Chapter 3 turns to the second dimension of capital and examines how the two types of capital organize different regimes of production. In the global public imagination, Chinese capital (state or private) is notoriously and uniquely exploitative toward African labor. Yet, once comparison with other investors and contextualization in Zambia's externally imposed neoliberalization are introduced, the picture looks very different. All foreign, not just Chinese, investors today take advantage of a labor law regime already liberalized by international financial institutions and donors prior to their arrival in the late 1990s. They brought with them the global industrial trend of subcontracting and job informalization. Beneath these similarities lie significant differences, as comparative ethnographic data from inside the mines show. Global private capital runs a finance-driven production system with high sensitivity to price fluctuation of copper and a tendency to retrench labor as its first response to market volatility. On the other hand, Chinese state capital's dual interest in the exchange value and use value of copper drives a production regime predicated on stability of production and stable but low-wage employment. Unions and workers therefore confront two kinds of bargains: finance-driven exclusion or production-driven exploitation. In construction, however, the footloose and project-based nature of construction undermines the collective capacity of construction labor in its struggle with capital, whether state or private.

Chapter 4 compares the managerial ethos of the two types of capital. Drawing on ethnographic fieldwork inside the residential compounds of the mines, I compare the "collective asceticism," or the culture of eating bitterness, practiced by Chinese state managers and the more "individualistic careerism" among expatriates in global private companies. These distinct ethoses find organizational and behavior manifestations in managers' living arrangements, everyday life on and off duty, patterns of social interactions with local Zambians, and the discourses they construe and contest in response to local cultural norms. Overall, I find Chinese state capital has at its disposal a more collectively committed, controlled, and disciplined managerial workforce than global private capital does. But the Chinese managerial ethos of collective asceticism has also fueled the rumor that Chinese employees in Africa are convict labor sent by the Chinese state, rendering suspect the moral authority and cultural normalcy of Chinese state capital.

Chapter 5 offers a finer-grained view of the collective aspirations and countermovements from below. Miners and their communities have accumulated over almost a century of historical memories and practical knowledge of what can be expected of mining capital, be it colonial, national, or foreign. Fieldwork in mining compounds and among construction workers reveals a set of standards—material, moral, and technical—that Zambians have come to expect as realized and realizable vis-à-vis what is being offered by the current wave of investors. Both Chinese state capital and global private capital are found lacking, but the countermovements against them, taking the forms of wildcat strikes, thefts, and civil society campaigns, are equally precarious and yield limited gains for the working classes and their communities. A new culture of petty entrepreneurship and microloans has arisen, further undermining the basis of working-class solidarity. This sobering observation suggests that, on their own, countermovements from below are not likely to be effective in subordinating either kind of capital to popular aspirations. What is needed is a political synergy between countermovements from both above (state and elite) and below, as happened briefly in the wake of the Patriotic Front's ascendance to power in 2011.

The concluding chapter broadens the picture from Zambia to other case studies of Chinese state investment in African and Latin American countries, showing its varied and uneven power and developmental impacts. Returning to sociology, I also reflect on the intellectual payoff of analyzing varieties of capital (emphatically distinct from varieties of capitalism), which can reveal the range of struggles and potential within global capitalism. The book ends by advancing the idea of global China as a necessary empirical, theoretical, and methodological reorientation and agenda for China studies as a field.

2

Varieties of Accumulation: Profit Maximization and Beyond

Any myth about the presumed power and domination of Chinese state companies in Africa can be easily dispelled by looking at the fifteen-year track record of NFCA, the top Chinese state investor in Zambia's copper industry. Its corporate history is a tale of survival of a "babe in the woods,"[1] climbing an unusually steep and treacherous learning curve. Practically unknown outside of China, belittled and outcompeted by more established global mining giants, and distrusted by Zambian privatization officials, NFCA also committed blunders in its early years. Most notably, a 2005 explosion in the Chambishi mine killed forty-six Zambians and branded the company, in Zambia and the world, as a savage and reckless employer. But by 2015, after years of mounting political pressure and numerous negotiations and compromises with the government and labor, the company had significantly swayed the opinion of mining experts, unions, and government officials, who by then recognized it as one of the most stable and responsible producers and employers in the Zambian copper industry.

Examining the processes and mechanisms through which Chinese state capital established itself in Zambia, this chapter shows how the imperatives and strategies of Chinese state capital, distinct from those of global private corporations, were determined by both Beijing's interests and by local Zambian political economic backlashes. The first part of the chapter explicates the respective logics of accumulation of these two types of capital by looking at their reaction to the global financial crisis of 2008, the Zambian government's imposition of a new tax regime, and its long-term strategy of value addition. The basic difference is that Chinese state capital was driven by a logic of encompassing accumulation, whereas global private capital was driven by shareholder-value maximization. Encompassing accumulation subscribed to a multidimensional conception of profit that included not only financial returns but also political patronage and influence and access to commodities at their source. The latter two were not reducible to the money form of profit. State capital was therefore not as mobile and "liquid" as global private capital, and more compelled to compromise. Yet, compromise happened only in the face of political synergy between the state and labor, which was found in the copper sector but not in construction in Zambia.

Setting Foot on the Zambian Copperbelt: What Did China Want?

Of all the major copper mining investors in Zambia, China Nonferrous Metal Mining (Group) Company (CNMC) is the only state-owned conglomerate. Its subsidiary in Zambia, Non-Ferrous Metal China, Africa (NFCA), has run the Chambishi mine since 1998.[2] CNMC is China's leading corporation in the nonferrous metal mining industry and, like other central state-owned enterprises, stands at the commanding height of the Chinese economy, directly owned and supervised by the SASAC under the State Council of the Chinese government.[3] This background contrasts with KCM and MCM, the two other mining companies in this study, whose parent companies, Vedanta Resources PLC and Glencore PLC, respectively, are publicly traded on the London Stock Exchange. The imperative of these global private investors is very clear: maximization of shareholder value. Vedanta's acquisition of KCM in 2002 after Anglo American pulled out was purely driven by the profit potential of the Konkola Deep mine, the crown jewel of Zambia's copper industry. MCM bought Nkana and Mufulira, also core assets of Zambia's copper industry.

Yet, profit is also important to Chinese state investors. A senior NFCA executive emphasized:

> We don't need to maximize profit, but we need to make *some* profit. The Chinese government gave CNMC the initial capital but the company has to survive and expand by reinvesting its profit into production. Other mines can apply for bankruptcy when financial crises hit, but we cannot easily declare bankruptcy because it will hurt the state's image. On the other hand, we cannot withstand long-term losses, like Mulungushi Textiles. It's been bleeding year after year for a decade. There is no way but to let it go bankrupt.[4]

The Mulungushi case is illustrative of the hardened budget constraints that confront today's Chinese SOEs in Africa. Mulungushi Textiles in Kabwe was one among many Chinese-funded turnkey aid projects set up by the Chinese government in various African countries in the 1970s. From 1982 to 1996, it was run as a Zambian parastatal, assisted by Chinese technical experts, employing a thousand workers and propping up the economy of Kabwe in northern Zambia. But the mill languished after years of mismanagement and domestic economic crisis that paralyzed the entire manufacturing sector. In the mid-1990s, the reform-minded Chinese government decided to invest new capital to revitalize the mill, which was turned into a joint venture between a Chinese SOE, Qingdao Textile Corporation, and the Zambian government in 1997. Problems related to high costs of production, obsolete equipment, erratic supply of raw materials, failure of clients to settle debts, and labor strife led to its closure again in mid-2007. To date, despite news about a twelve-year lease signed by an investor from Tanzania, the plant remains closed.[5]

Although Chinese central SOEs have to stay profitable, they are not after maximum profit. As the senior NFCA executive explained, "A CSOE [central SOE] is about the nation's strategic, lifeline, security interests. Its goals, aside from profit, include employment, environment, welfare. . . . But it is still an enterprise and the government is the largest stockholder. It seeks 'feasible' profit: not to maximize profit, and profit is only one of the goals."[6]

Opting for profit optimization, the Chinese state mine seeks to accumulate other forms of profits—political capital and resource security. As a central SOE, CNMC is a part of China's economic diplomacy, which in the current period places strategic emphasis on Asia and Africa and calls for utilizing overseas resource commodities that are in short supply in China—oil, copper, aluminum, and iron.[7] NFCA's promotional brochure proudly announces itself as the "frontline trooper of China's overseas resource development."

China's resource-seeking objective is an open secret. Not only are Zambian ministers and officials well aware of it, Chinese government representatives are not shy about admitting it. Paying a courtesy visit to the Zambian vice president, the chairman of the China Non-Ferrous Metals Industry Association, an industry body under the supervision of China's State Council, presented the Chinese official position. In both style and substance, his remarks would be repeated on many occasions in Zambia by top Chinese political leaders and businesspeople alike. Beginning with an obligatory reference to Mao, Kaunda, and the Tazara railway, lacing history with statistics, and striking a balance between projecting China's national strength and underscoring its poor resource endowment, he laid out China's strategic interest in Zambia's copper:

> Zambia and China are separated by 12,000 kilometers of water and mountains, but our countries' friendship was long established through the personal friendship of Chairman Mao, Premier Zhou En-lai, and President Kaunda. Then Chairman Mao decided to construct Tazara, which is still in use today. China–Zambia's friendship has blossomed and endured, benefiting our coun-

> tries and peoples. Especially in April this year, President Sata visited China and met with President Xi Jinping and Premier Li Keqiang, reaching a consensus to deepen our relations. President Sata even visited the headquarters of our company, CNMC. CNMC is the first Chinese SOE entering Africa, and ranks 432nd among the Fortune 500. It has fourteen subsidiaries in Zambia with a total of US$1 billion investment. It is a significant symbol of China–Zambia's all-weather friendship. For ten consecutive years, China has been the world's leading industrial power in nonferrous metal production and consumption. Our annual nonferrous metal output is 3.7 million tons, 45 percent of the world total, and consumption is 50 percent of the world total. Last year our revenue was four trillion RMB, with a tax remission of two trillion RMB. The nonferrous metal industry accounts for 1 percent of China's GDP. China is a major country in this industry, but it is not a strong country in this industry. We have three limitations: first, we lack resources; second, we lack technology; and third, we have great environmental challenges. The Chinese government encourages us to adjust industrial structure and innovate. Zambia is a big mining country, and you have very rich resources. Your copper reserve accounts for 15 percent of the world total. Our two countries have complementary strengths, and we can cooperate to achieve common development.[8]

The scarcity of China's copper reserves relative to demand has intensified during the past twenty years. China's copper demand was 20 percent of the world total in 2003 but increased to 39 percent in 2010. During the same period, its copper reserves grew by an anemic 3 percent, from 1 percent to 4 percent of the world total.[9] The significance of copper for CNMC lies in both its exchange value (that is, its profit-making potential) and its use value (its intrinsic value as a raw material input needed for Chinese industry). NFCA's CEO volunteered a comparison with other mines: "I guess other companies will focus on 'profit maximization,' and if prices fall through a certain level, they'd rather not produce. . . . We [China] are too deficient in mineral resources. Even when prices are low, profits are low, we still want to extract the ore. We'd rather survive by lowering our marginal cost."[10] Today, when the international market is open and copper prices high, Chinese state-owned mining companies sell copper on the international market for profit. But the CEO foresaw that "one day, if there was an embargo, then Chinese companies would of course sell only to China. Right now, there is no boundary in the international market."[11]

Besides resource security, political influence is also a top agenda item for Chinese state capital. A long-standing Chinese strategic interest in Africa is to cultivate African countries as allies for maintaining and extending China's influence and standing in the international arena. As a self-styled leader of the third world, China has raised the banner of "antihegemony" and pledged solidarity with developing countries on the basis of shared victimization by Western colonial powers. Africa stands out as a critical bloc of allies in China's diplomatic endeavors. Beijing's legendary bid to unseat Taiwan at the United Nations was successful in 1971 largely thanks to a bloc of African votes. "Peking received 76 votes out of 111, the two-thirds majority necessary to evict Taiwan from its seat. Of those 76 votes a crucial 26 were African."[12] More than forty years later, this is an episode in China–Africa relations that is still rehashed in official media and diplomatic encounters as testimony to their all-weather friendship. Then, in 1989, after the Communist regime's bloody crackdown on the prodemocracy movement in Tiananmen Square led to widespread condemnation and sanctions by Western countries, China once again turned to Africa. To shore up support, the foreign minister Qian Qichen visited fourteen African countries between June 1989 and June 1992 and obtained an agreement with southern African countries that the events in June 1989 "permitted no foreign interference." As a result of his trip, China steadfastly supported "the just struggle of the African countries against hegemony, colonialism and racism" and African economic development."[13] This support has been given material form since 2000 in the Forum on China–Africa Cooperation, which regularly disburses large sums of aid and loans to Africa.

Isolating Taiwan in the international community continues to be a major Beijing preoccupation in Africa. Like sustaining influence, marginalizing Taiwan does not end with Beijing attaining a United Nations seat but requires continuous effort to maintain its effects. Against the Chinese rhetoric of "nonconditionality," severing ties with Taiwan has always been the single most consistent condition for Beijing's loans and aid to African countries. In Zambia, diplomatic competition between Beijing and Taipei has a long history. Back in the 1960s, on the eve of Zambia's independence, for instance, China made clear its firm position on "one China" and that breaking ties with "the Chiang Kai-shek clique" was the condition for the two countries to establish diplomatic ties. In exchange, the soon-to-be vice president of Zambia asked for an early gift of £20,000 in return for this important international recognition.[14] Almost half a century later, a vignette from my trip with the Zambian vice president to Beijing illustrates how Chinese officials still consider the Taiwan factor a top priority. Two months after the Patriotic Front's electoral victory, the Chinese Communist Party (CCP) invited the vice president to Beijing for a dialogue between two ruling parties. In a meeting with a senior CCP leader, Chinese officials directly and bluntly reprimanded the vice president for accepting Taiwan's invitation to visit Taipei when he was in opposition, and demanded an end to any exchange between the Zambian government and Taipei. It is therefore not surprising that China's acquisition of copper mines in Zambia was indeed affected by the Taiwan factor. One CNMC executive recalled Beijing's concern to keep Taiwan out of the competition for Zambian copper: "During the Kaunda era, China–Zambia relations were great. Under Chiluba, it was still good, but he began engaging Taiwan. MMD even invited Taiwan to participate in bidding for Chambishi. Our participation in the privatization process was influenced by this Taiwan competition factor."[15]

With such a multipronged agenda and state-backed financial prowess, why didn't China buy Konkola, which boasts the largest reserve with the highest-grade ore in Zambia? It is easy to forget that fifteen years ago, at the time of Zambian privatization, Chinese outbound investment was an unknown quantity in African mining compared to the then-dominant white "mining old boys' club" (such as Anglo American and Glencore), which took the largest mines with the highest-grade ore.[16] Even though China entered a bid for an abandoned mine of inferior-grade ore, the Chambishi mine, the Zambian privatization team was wary about handing over a Zambian asset to a Chinese state company with little international experience. A former mining minister who was involved in the privatization process recalled that the privatization committee was extremely reluctant to privatize Zambian mines to a government-owned company. "The Zambian public would not accept it as reform if we handed over a Zambian government–owned mine to a Chinese government–owned company."[17] Even though CNMC made a higher cash bid than its competitor for the Chambishi mine, the Zambian government awarded it to Ivanhoe Capital PTE Limited of Canada/Singapore/South Africa. The Chinese got the mine only after Ivanhoe withdrew, citing the downward pressures on commodity prices in the wake of the economic crisis in Southeast Asia. CNMC paid $20 million in cash and gave ZCCM-IH, the Zambian government–owned investment holding company, 15 percent retained interest when the deal was completed on July 15, 1998. The asset was then vested in the newly formed company called NFC Africa Mining, PLC.[18]

From the beginning, the Chinese state-backed nature of NFCA made it disproportionately vulnerable to populist politics. In April 2005, an explosion happened at Bgrimm Explosives Plant, located inside the Chambishi mine and partly owned by NFCA, killing fifty-two Zambian workers. It was the deadliest industrial accident in Zambia's history, for which a national day of mourning was announced and popular anger clamored for tougher government reactions than was offered by the MMD president Levy Mwanawasa. The opposition politician Michael Sata in his 2006 and 2008 election campaigns capitalized on popular resentment against foreign investors who arrived after the privatization of the mines, and targeted "Chinese" investors, presuming that they were all connected to the Chinese government. Accusing Chinese of

TABLE 1. Basic conditions of three foreign-owned mines on the Zambian Copperbelt (2012)

	MCM	*KCM*	*NFCA*
Workforce			
Direct	8,776 people	8,689 people	1,209 people
Subcontract	9,800 people	13,217 people	1,883 people
Copper production	117,804 tons	200,000 tons	26,178 tons
Ore grade	2%	3.5%	1.73%

Source. Statistics collected and compiled by the author.

Note. MCM = Mopani Copper Mines; KCM = Konkola Copper Mines; NFCA = Non-Ferrous Metal China, Africa.

imposing slavery conditions from the Cape to Cairo, Sata adopted a "Zambia for Zambians" rhetoric and frequently reiterated the analogy between Western colonialism and Chinese exploitation, emphasizing Chinese collusion with the incumbent government. A typical indictment went thus:

> Zambia's failure to curb the violation of industrial and labor laws can be attributed to the overbearing influence of the Chinese government on its Zambian counterpart, through provision of generous gifts to the ruling MMD and the powers that be. . . . European colonial exploitation in comparison to Chinese exploitation appear more benign, because even though the commercial exploitation was just as bad, the colonial agents also invested in social and economic infrastructure and services. . . . Just as the Africans rejected European exploitation, oppression, and dehumanization, there is no doubt that Chinese exploitation and domination will be rejected too.[19]

Therefore, Chinese state capital did not arrive in Zambia in an inherently dominant position (see table 1). It had to confront many challenges—trying to turn an abandoned copper mine with lower-grade ore into a profitable one, fumbling in the new African operational environment, and being subjected to intense politicization. Yet, its encompassing accumulation agenda also meant the need to accommodate Zambian interests, often more so than global private firms. The next section offers concrete evidence illustrating the different logics of accumulation driving the two types of capital. Although all the mines were intensely focused on production output in their everyday operations, state and private capital reacted differently to three critical events: the 2008 global financial crisis, the imposition of a windfall profit tax, and the Zambian government's development strategy of value addition.

Ordinary Profit Making and Crisis Reactions

In ordinary times, given their profit motives, the three companies were all intensely focused on meeting production targets, cutting costs, and ensuring smooth and safe underground operation. Inside all three mines, eye-catching electronic bulletin boards prominently displayed updated daily production figures, broken down into figures of ore tonnage, ore grades, recovery rates, and volume of copper cathodes. Safety statistics were shown as well at the main gate to KCM and are circulated and discussed in monthly meetings with union representatives at MCM. Banners announcing campaigns for "safe production" could be seen near the entrance of NFCA.

A convenient indicator of what the three mines were after was the key performance indicators (KPIs) used by the respective parent companies to assess senior management teams. Across the three mines, these KPIs showed similar overriding emphases on production, despite variations in measurements, weights, and parameters. For instance, at KCM, the CEO showed me his KPI card with the following items and their weights:

production volume 30 percent
SHE (safety, health, and environment) 20 percent
quality of production 10 percent
cost of production 5 percent
EBITA (earnings before interest, taxes, and amortization) 5 percent
growth and exploration 10 percent
leadership development 10 percent
sustainability (water and energy consumption) 5 percent
stakeholder engagement 5 percent

Overall, he said, "60 percent is operation driven and 40 percent is stakeholder driven. One fatality will nullify all scores and there will be no bonus."[20] At NFCA, the Chinese system showed a simplified structure that was even more completely driven by operations, with few indicators addressing the equivalent of stakeholder concerns. The KPI scorecard of one of the top deputy CEOs read:

cost of production 25 percent
volume of production 20 percent
infrastructure construction 20 percent
technological improvement 15 percent
EVA (economic value added) 20 percent[21]

The centrality of production in these mines was also palpable to anyone just walking along the hallways of the offices at the mine sites or in the corporate offices. One could often hear intense and emotional verbal exchanges between the mine managers and the subcontractors during their daily and weekly production meetings. Voices were raised and arguments flared when production chiefs demanded an explanation for a shortfall in production figures from their subordinates, and subcontractors responded typically by listing problems of water, electricity, and equipment, and shuffling blame and responsibility among departments.

As a state-owned company, NFCA retained a unique corporate practice that was typical under the command economy—"storming" to fulfill the last quarterly production quota at year's end. One afternoon in October 2012, all Chinese staff at NFCA gathered in the main conference room under a red banner announcing "Dash towards Annual Target Mobilization Meeting."[22] The chief production manager kicked off the meeting by providing the production goals for this mobilization. Reading from a prepared text in a spirited and authoritative tone, he announced:

> We only have 70 days left, and we are still 6,900 tons of metal short of this year's target. Based on our ore grade of 1.72% and a recovery rate of 89 percent, we need to extract a monthly total of 151,000 tons of ore. . . . Given the shortfalls up to September, it means we have to increase production by 17,000 tons of ore or 250 tons of metal. In terms of development indicators, we only achieved 61 percent of the annual target, or a shortfall of 59,000 meters. Third, major construction projects. . . . All these are serious challenges and we have a tough job ahead. But it is our job and our honor to fulfill our targets. With confidence, determination, and motivation, we will be able to accomplish our goals. Since its inception, NFCA has been able to fulfill its production target every single year. Last year, also on October 22, we held another mobilization meeting. If we could do it last year, we can also do it this year. . . . But we must secure two conditions for this task: safety and labor relations must be problem free. According to instructions from the Group company, there cannot be any major incident before the 18th Communist Party Congress [in Beijing]. . . . Comrades, we have blown the horn of big labor; let's all join this effort with energy and determination, to contribute to our Group company's bid to join the Fortune 500.[23]

In one commitment speech after another, senior managers pledged their full-throttled effort in meeting the annual goals. A "labor contest" was launched, providing financial incentives (e.g., a one-off US$1,000 bonus to employees if their department fulfilled 100 percent of its specific target, or $2,000 for 10 percent above the target). Reminiscent of meetings at Chinese SOEs, the two-and-a-half-hour meeting was aimed at unifying thinking and creating a sense of esprit de corps among employees, who all put on an appearance of busily taking notes. The CEO concluded the mobilization with a forty-five-minute speech in which he drove home the peculiarity of state capital: "Ours is an economic task but also a political task. Working overseas, we have to develop a heightened sensitivity to politics. If our company had losses, it would not only be a problem for us. The most important stake is our national reputation, especially given the friendship between China and Zambia."

2008 GLOBAL FINANCIAL CRISIS

Three events during my fieldwork illustrated the diverse corporate reactions to crisis and their consequences for Zambia. First and foremost was the global financial crisis that hit Zambia in the fall of 2008 until around mid-2009. Copper prices plummeted from a historical high of $9,000 a ton in the spring of 2008 to a low of only $3,000 by the spring of 2009. For months, front-page headlines in Zambian newspapers registered the gravity of the crisis: "Retrenchment Fear Grips Miners on the Copperbelt," "Luanshya Copper Mine Halts Operations, 1,740 Lose Jobs," "KCM Retrenches 700 at Nkana."[24] Panic spread across the Copperbelt as KCM, MCM, and other major mining companies announced massive layoffs, ostensibly their only option. In all, some nineteen thousand workers, or 30 percent of the total workforce in mining, lost their jobs.[25] The Luanshya mine was closed when its Israeli–British owner pulled out of Zambia. Collective bargaining was canceled and salaries for workers and management were frozen in many mines.

A member of the board of directors at MCM recalled the crisis when the mine and township at Mufulira faced imminent closure. A sharp fall in copper prices triggered an immediate crisis of the bottom line:

> As management, we've got a product to deliver to Glencore at a certain price. We did go to Glencore for some cash infusion as working capital, but we had to demonstrate that we were capable of running the operation. Between July 2008 and May 2009, copper price was lower than our cost of production. We had to reduce labor, development, and contractors, scaling down CSR [corporate social responsibility] like the malaria program. . . . There were two emergency board meetings with ZCCM[-IH], the government, and Glencore representatives to assess the situation. We were losing so much money that one of the considerations was to close Mufulira until prices improved. During those months, we went to sensitize the ministers of Mines and Finance on the options we had. The tenor of what they wanted to say was that "we would find other buyers if you guys walked away." But we asked them, "Do you realize the water supply to 50 percent of Mufulira's residents comes from our underground mine? So the

> moment we leave, half of the town would have no water." They were stunned. In the end, we decided to let Mufulira limp along and found other ways. At Nkana, we had to retrench labor and we had to inform and convince the government and Ministry of Labor. . . . We cut back significantly on development advance . . . instead of having six months of fully developed reserves, we only had two to three months, so a 50 percent cutback. It's bad, because when prices went up again, we could not ramp up production overnight. You can only have a fixed number [normally only two] of blasts underground per day, otherwise you disturb air circulation.[26]

Nearby, KCM resorted to cost curtailment by renegotiating all contracts for supplies, commodities, and logistics, shut down the smelter at Nkana, and reduced manpower by two thousand workers. The most consequential policy change was to stop hiring direct employees and begin an aggressive strategy of subcontracting. The CEO at KCM recalled, "With the 2008 meltdown, we began what people call extensive outsourcing. It's a matter of survival. We did not have money to buy new machinery for the open pit, for example, so we decided to subcontract for other people to bring in the capital and equipment. It's a matter of capital allocation, to have time and money for core competences."[27] Elsewhere on the Copperbelt, some mines were put under care and maintenance while small-scale miners mostly went out of business. Local suppliers were negatively affected, with reductions in turnover and profits and, for some, exit from the mining supply chain.[28]

In the midst of the turmoil, the Chinese state-owned NFCA publicly announced a three "no's" policy: no retrenchment, no production reduction, and no salary cuts. Operating with a long-term interest in the stable physical production of ore, as opposed to reacting to market fluctuation in ore prices and shareholders' short-term financial interests, NFCA's response to the crisis reflected its political and business objectives in Zambia. Seizing the moment to emphasize China–Zambia's all-weather friendship, publicizing its commitment to remain in Zambia in the long run, NFCA won admiration on the Copperbelt and in Lusaka for its stabilizing impact on the national economy. It was a turning point for Chinese state investment's public image, which had been seriously tarnished by the 2005 explosion. CNMC also bought the Luanshya mine and extended a lifeline to the mining town of a hundred thousand residents. The Chinese calculation was both political and economic: while emphasizing to top Zambian officials their willingness to help the Zambian government resolve its employment problems in mining townships, the Chinese senior management saw the crisis as a good investment opportunity. A top CNMC representative in Zambia explained, "My business judgment was that copper prices would only experience a temporary setback, because

China was still restructuring and would still need resources. Also, I wanted to refurbish Luanshya with new machinery to increase productivity and lower costs. Its technology was very dilapidated and old. Its open pit at Muliashi should be profitable."[29]

WINDFALL PROFIT TAX

In early 2008, when world copper prices reached their peak, the Zambian government responded to the mounting pressure from civil society and opposition political parties to renegotiate the development agreements signed with foreign investors at the time of privatization. The rallying cry was to regain Zambian sovereignty and get a fair share of the resources that were widely considered to have been sold "for a song" to multinationals under the gun of the World Bank, IMF, and donor countries. In practice it meant correcting a tax regime that was coercively imposed on Zambia that benefited foreign investors at the expense of Zambian taxpayers. Guy Scott, then vice chairman of the Patriotic Front, even threatened to lead demonstrations on the Copperbelt against the mining companies if they took legal action to repeal the new taxes.[30]

The major mines, including KCM and MCM, were adamant in opposing the new Mines and Minerals Act (2008), which was passed in the face of vocal opposition by the mining sector and allowed the government to tax at 75 percent when copper prices soar beyond a certain level. MCM and First Quantum threatened to go to international arbitration and sue the government for unilaterally abrogating the legally binding development agreements. A longtime senior executive at MCM recalled that he held several emergency meetings with the Zambian government, with statistics in hand showing how MCM went from profitable to unprofitable one month after the new tax law went into effect. With the conspicuous absence of the Chinese NFCA, the chairmen of the boards of five major mining companies—KCM, MCM, Metorex, First Quantum, and Kansanshi—wrote a protest letter to the president, Levy Mwanawasa, warning him of the potential damage the act would do to Zambia's reputation as a safe destination for foreign direct investment. Not only did NFCA not join these foreign companies in voicing public objections; records showed that only NFCA and one other mining company complied with paying the new taxes before the Zambian government rescinded the legislation in the wake of the global financial crisis.[31] A former advisor to President Mwanawasa recalled that the Chinese expressed their support for the windfall profit tax, a position confirmed by the top CNMC executive in Zambia. Similarly, when the Patriotic Front government doubled the mineral royalty taxes from 3 percent to 6 percent soon after taking power in 2011, NFCA voiced no objection whereas other mining companies publicly criticized the policy's detrimental effect on production.

VALUE ADDITION IN A MULTIFACILITY ZONE

Perhaps the most revealing and consequential decision of Chinese state capital in Zambian mining was the establishment of a twelve-square-kilometer special economic zone (SEZ) located within the forty-one-square-kilometer Chambishi mining concession area. Called the Zambia–China Cooperation Zone (ZCCZ), it was built and run by a CNMC subsidiary and promised to create up to six thousand local jobs. The zone was central to the Zambian government's "value addition" development strategy but received little support from global private investors. Senior management of both KCM and MCM considered value-addition manufacturing far beyond their respective companies' "core business," shunning the idea as "economically unviable." The CEO of KCM, a very sharp-minded sixteen-year veteran of the Vedanta Group, explained the cost and benefit to his company and why it was not an economically rational option for Zambia's development:

> Let's take Chile, which produces five million tons a year. Do they do value addition to their copper? No. They export copper concentrates. They are profitable. Look at Brazil's Vale. They only export iron ore. Have they made steel? No. . . . Everybody has to understand economics. Value addition business with copper is highly capital intensive. If someone has to convert twenty thousand tons of copper into value add, his working capital cycle is sixty days, and he will block $240 million in working capital for making a $5 million margin. . . . Value add is never Vedanta's core business.[32]

The World Bank also questioned the economic rationality of developing copper manufacturing in Zambia. In a report copublished with UKAID (the logo of the United Kingdom's Department for International Development), citing a slim profit margin, market vulnerability, and logistical difficulties for the landlocked country to reach major markets for copper products, it concluded: "The local availability of copper does not provide Zambia with much of a comparative advantage in copper fabrication. In an industry in which proximity to consumer markets is the key driver, domestic and regional demand for copper products would need to grow significantly before anything beyond a marginal expansion in Zambia's copper fabrication industry would make sense, and such market growth will take time."[33]

Against this backdrop of international cynicism, CNMC built a special economic zone in Chambishi and a subzone in Lusaka anyway, explicitly for the purpose of copper value addition and the development of other industries, from logistics to telecommunications to light manufacturing and services. Why? A senior Chinese executive at CNMC admitted that it may not be a "profitable" proposition to build SEZs in Zambia, but his strategy was to lock in large-scale, long-term projects in order to become "influential":

> Only when you build up a large presence would you become significant in the eyes of the Zambian government. They cannot ignore you. . . . Our consideration is this: we have NFCA, CCS [Chambishi Copper Smelter], Sino-Metal, and other Chinese companies here, and we are in Zambia for the long haul, not short-term profit making, therefore we must consider local development. We must try to invest in local goodwill. Recently [May 2013], KCM threatens to fire two thousand workers, and the Zambian government is very upset. We don't want to create such tension. KCM has to distribute profit to its stockholders rather than to invest in local society. [In our view] reward comes in local recognition and acceptance. . . . The big boss of our company is the Chinese state. You know in this day and age, diplomacy and investment, politics and economics, are all intertwined. In the eyes of the state, our meager corporate profit does not count as much as its interest in diplomacy and foreign relations. It cares more about whether we invest locally to facilitate China–Zambia relations.[34]

CNMC as a corporate entity had to invest its own capital (40 percent government subsidies and 60 percent corporate investment) and took responsibility for its economic viability. Reminiscent of China's domestic economic reform, Beijing's approach to overseas SEZs was a mixture of market and subsidies, centralized general policy, and decentralized improvisation. The daunting challenge of soliciting Chinese investors to settle in the zone fell to the investment manager at ZCCZ, who, on the receiving end of this hands-off policy by the Chinese government, had unique insights about the difference between SEZs in China and those abroad: "It is our company which negotiated with the Zambian government; it's not government to government. It's not like Lee Kwan Yew negotiated with the Chinese government to set up the Suzhou Industrial Park. See, our government has approved more than twenty SEZs around the world; how can you expect them to have that many officials to give each detail attention?"[35]

China's overseas economic zones may have given the world the impression that China can unilaterally impose its grand strategy of "going out" on African states. Yet, retracing the historical process through which the China–Zambia zone came about shows that China has to adapt to Zambian reality and the demands of the Zambian government. First, when the Chinese purchased the Chambishi mine, they had no plan to create a multifacility zone. On the other hand, the Zambian state, since the 1990s, has identified value addition to copper mining as its strategy for economic development.[36] With assistance from Japan, under the framework of the Tokyo International Conference on African Development (TICAD), Zambia made several abortive attempts at diversifying its economy through industrialization. A longtime Ministry of Commerce technocrat who was involved in this process and later participated in negotiations with the Chinese under FOCAC (Forum on China–Africa Cooperation) outlined this history:

> We tried for many years to promote manufacturing. We even had the Export Processing Zone Act to take advantage of the AGOA [African Growth and Opportunity Act (2000), initiated by the United States] market. Look at Mauritius and South Africa, they have EPZs [export processing zones]. But we [Zambia] did not have the capacity to give investors incentives or to monitor local leakage such as whether or not they export. With the help of the Japanese JICA [Japan International Cooperation Agency], under TICAD [beginning in 1993], there was a Triangle of Hope proposal. We changed our idea to not focus on export. What we want is infrastructure, roads, and electricity so investors can come and produce. We don't care if they export or not. MFEZ [multifacility economic zone] is the result. China was not part of this yet. We begged the Japanese to help us construct one zone. Japan said they could link us up to a Malaysian company which would construct the zone. But the Japanese eventually said we were a landlocked country and it's not possible for manufacturing companies to come. Then we had to ditch the Japanese consultant and paid the Malaysian consultant to do the master plan. In the middle of this bickering, FOCAC came along, and we approached the Chinese government for a zone.[37]

Therefore, rather than a passive Zambia supplicating China for gifts, Zambia leveraged China's interest in Africa to realize a long-term development vision the Zambian government had nurtured for more than a decade. By 2006, the year when the Chinese government announced its plan to build several zones in Africa and asked African countries to submit applications, Zambia was ready, with detailed plans, policies, and legal templates. Not only did it become the site of the first China–Africa zone in Chambishi, Zambia asked for more, namely, an additional subzone in Lusaka focusing not on copper but on logistics, light industries, and services, even real estate. A senior Ministry of Commerce official explained that the Zambian vision for this zone was to turn the country's "landlocked" location into a "land-linked" hub for the southern African region.

> The Chinese announced the measures in the 2006 FOCAC, saying they will construct five zones in Africa, build a hundred schools, or give so many millions in interest-free loans, etc. African countries then submit proposals; first come, first served. African countries compete among themselves. So you don't

> want other countries to know what your country submits. Malawi has asked us how we got the Chambishi zone. They just switched from recognizing Taiwan to recognizing the Mainland. . . . We came back from FOCAC, sent an expression of interest in a zone. China responded and started negotiations. . . . They asked for land in Chambishi in exchange for doing this and that; we agreed. We went back to ask for a second zone in Lusaka. China looked at it, and said okay, but they said we cannot give two zones to Zambia, so it is called a "subzone."[38]

Zambian interests and political realities have also prevented the Chinese state company from getting the policies it wanted. A perennial complaint by the Chinese partner in ZCCZ is the absence of preferential treatment given to enterprises in the zone. The manager responsible for bringing in investors quipped:

> This cooperative zone is not as special or preferential as China's SEZs, although CNMC originally put high hopes on it. The Zambian government does not want to give preferential policies, because they are tight on fiscal revenue. Ours [China] was also a poor country in the 1980s but we had the funds to develop SEZs. Here, they have nothing. . . . Their multiparty politics also constrain them. The government cannot give China special policies, otherwise the opposition will attack it. . . . It's not an easy job to solicit investors. Originally, the Zambian government had universal incentive packages for enterprises investing $10 million or above. The Chinese pressed for exclusive preferential terms reserved for the zone. Their legislature discussed and decided to remove the threshold and applied preferential policies to all zones of all sizes [MFEZs in Ndola, Kitwe, Lusaka, etc.] and for all companies above $500,000. For political considerations, they cannot just give preferences to us [Chinese firms]. So our edge is not in tax incentives but in infrastructure—industrial-grade electricity, roads, and water supply.[39]

As of summer 2014, about twenty enterprises had moved into the zone, eleven of which were mining- or CNMC-related entities (such as the Chambishi Copper Smelter [CCS], Sino-Metal, China 15th Metallurgical Construction Group Co. [15 MCC], and Zhongdu Exploration). Very little manufacturing or value-addition activities were in sight. Accompanying the Zambian Development Agency director who oversaw the Chambishi MFEZ during one of his quarterly inspection tours, I asked if the Zambian government was worried that ZCCZ might fail. As we were driving along the well-paved roads lined by empty factory premises with roof shingles sparkling under the sun, he stared pensively out of the window, imagining the worst. He said: "Even if the Chinese withdrew one day, all of this infrastructure would stay. We don't worry. Let them build first and then we will see. If Zambia has to attract FDI, it's good to bring in the Chinese because once the Chinese are here, other countries feel they have to come to compete as well. The day we have a Chinese influx of investment, we will also have an Indian influx and so on."[40]

By showing the different corporate responses to the 2008 global financial crisis, windfall profit taxation policy, and the Zambian strategy of copper value addition, I have shown that Chinese state capital has been more accommodating to the Zambian state's demands and developmental strategies, more willing to venture into territories where profit-maximizing global private capital refuses to tread. Only the future will tell if value addition will be a successful path for Zambian development, but at least Chinese state capital's encompassing accumulation logic gives it a chance. For Zambia to leverage the China difference, however, two local preconditions—elite political will and state developmental strategy—are pivotal, without which Chinese state capital can become a perilous proposition. The absence of these two conditions in the construction industry will illustrate the darker side of the Janus-faced nature of Chinese state capital.

Construction

In construction, there are two forms of Chinese state capital: (1) concessional loans given by Chinese policy banks to African governments to fund construction projects, and (2) Chinese state-owned contractors implementing the design and construction of the projects. Chinese state capital in construction follows the logic of encompassing accumulation in that it seeks not only profits but also political patronage and influence. The difference, compared to copper, is that the Zambian government has not met the Chinese on terms informed by its own development strategy. Not only is there no developmental vision equivalent to "value addition" that guides their engagement with foreign and Chinese capital in mining, Zambian politicians exploit the availability of loans to further their short-term electoral and political gains at the expense of their country's long-term development.

"CONCESSIONAL" LOANS: THE HIGH COST OF FAST MONEY

A major form of Chinese state investment in Africa's construction sector is the massive amount ($35 billion pledged thus far) of concessional loans disbursed under the FOCAC framework since 2000. By mid-2014, accumulated Chinese concessional loans to Zambia amounted to $1.2 billion, far exceeding the total of loans from the World Bank and the African Development Bank, respectively. Often touted by Beijing as a form of Chinese assistance, Chinese concessional loans, compared to World Bank loans, actually charge higher interest rates (2 percent vs. 1.7 percent), have a smaller grant element (23 percent vs. 35 percent), have shorter repayment periods (ten to fifteen years vs. twenty to fifty), and require noncompetitive single sourcing from China.

A top technocrat at the Zambian Ministry of Finance offered a passionate critique of Chinese state loans, beginning with the problematic label *concessional*:

> What the Chinese call "concessional" barely meets the international criteria of concessional loans, and their so-called interest-free loans actually carry other charges and fees that, taken together, amount to interest-bearing loans. Every year the Chinese government comes and tells us they have this and that money to loan us and ask us to prepare projects. They would say to the president and the vice president that because of our long-standing relationship, we want to assist you. To celebrate the fiftieth anniversary of Zambia's independence, they sent a delegation to train people to do the celebration dance, donated buses for VIPs, or paid for people to go to China for courses. And then they would go to the VP and say there is this loan we want to give you at zero percent interest. But when you calculate the fees, charges, and everything, you'd realize the effective interest is 2 percent. We are friends [laughing sarcastically]. We at Finance cannot object because our political leaders want it.[41]

Comments like this seldom reached the public domain. When the Chinese vice president Li Yuan Chao visited Zambia in June 2014, among the gifts he brought to the Zambian people was a new $32 million "interest-free" loan. Newspapers reported the story with fanfare and politicians welcomed it as an example of Chinese diplomatic largesse. Ignorance of the technicalities of loans aside, Chinese concessional loans are tantalizing to African politicians for several other reasons. First, Western loans are not only drying up but their priorities have long shifted to human capacity building (i.e., social services, education, health, and poverty alleviation), not physical infrastructure, which is still sorely needed in many developing economies. Politicians with an eye to securing votes for their next election are eager to sign up for Chinese loans, which expediently deliver infrastructure projects to their constituencies. Second, Zambian politicians prefer Chinese loans to World Bank loans because the top assessment criteria used by Chinese loan officials has been "Zambian government priority," not other independent assessments of the projects' social or environmental benefits. Finally, and perhaps most important, Chinese and African officials espouse a shared conception of "development" that differs fundamentally from that of Western donors, speeding up the process of loan negotiation. "Infrastructure projects have a shelf life. People cannot wait," explained a top technocrat at the Ministry of Works and Supply, who contrasted the Chinese and Western modes of loan negotiation:

> The World Bank, the EU, and the traditional donors focus on rehabilitation and maintenance of roads that have collapsed. But our government wants to improve the economy. For instance, we want to connect Mansa and Luwingu, two provincial capitals, but the World Bank does not want to do it because it thinks the internal rate of return is low and existing traffic volume is low. But with our Chinese counterparts, they are more interested in assisting government's aspirations. Internal return rate is not that important. Take the Mongu–Kalabo Road. It's extremely expensive. No European bank would finance it, but with China, we agreed that it is important for Zambia and Angola. Let me tell you about Angola. It is the one SADC [Southern African Development Community] country that is not connected to SADC, because the eastern part of Angola has been at war for many years. It is filled with land mines. You cannot drive from Zambia to Angola; you cannot because there is no road. For the benefit of SADC, we have to open up this part of Africa. In 2000, our assessment showed a return rate of 6 percent, but this fell short of the 10 percent requirement of the Western donors. So I traveled to China to negotiate with EXIM Bank. With the World Bank, they usually have many objections: can you change the terms of reference? Can you give us your HIV/AIDS protocol? . . . It may take up to five years just to negotiate. Also, World Bank loans usually max at $80–90 million, not enough for major roads. The Chinese would not say you change your government, change this or that of your policy. . . . Infrastructure projects have a shelf life. People cannot wait.[42]

Unbeknownst to many in and out of the Zambian government, this benefit of speed carries a high price. Despite the Chinese rhetoric of nonconditionality, in actual practice these loans carry the implicit conditionality that, in many cases, the Chinese side decides what gets constructed (as priority areas announced during FOCAC meetings), and for how much (determined by a Chinese contractor with connection to the China EXIM Bank, in the absence of open bidding). A senior official in charge of external debts and investment in the Zambian Ministry of Finance explained the mechanisms of Chinese concessional loans, drawing illuminating parallels with the way structural adjustment reform was imposed:

> Loans from China are supply driven. There is a well-oiled Chinese development machinery that loops in and out of the Chinese government, connecting many Chinese players. Typically, a concessional loan infrastructure project is started by a Chinese vendor [contractor] on the ground in Zambia who wants to do a road, for example. He would go to the Road Development Agency, and say, "I saw some roads somewhere I could do, if you gave me that contract." He

would then go to the China EXIM Bank, and tell them this would cost $200 million, before any feasibility study. On paper it always looks like the Zambian government initiates the process but you have to do reverse engineering in order to track the process. It's like any IMF structural adjustment reform: IMF said you need this and that macro and micro reforms and they identified "distortions." But on paper, you would see a letter that came from the Zambian government saying that the Government of the Republic of Zambia [GRZ] has identified problems, and we need help. From the outside, it looks like the GRZ asked the IMF to impose conditions on itself but it is the other way around.[43]

Another official summed up a similar process: "Some Chinese contractors have friends at the China EXIM Bank who'd tell them that the Bank would be considering such and such projects. The contractors would then come in advance and approach the line ministries to get the contract, telling them that 'the EXIM Bank has appointed me to do this project for you.'"[44]

According to a director at the Ministry of Transport, Chinese contractors "fished" for ministries (Transport for roads, Health for clinics, Education for schools, and Sports for stadiums) and proposed projects, claiming that they could find the financing from China if the ministry agreed to cooperate. Although these line ministries have done feasibility studies for major projects with their confidential pricing, the delay caused by finding funding means that these ministries have to rely on contractors for updated feasibility studies with new price tags. Chinese loans are costly because of the conditionality of single sourcing (or no-bidding) from China, and also because of the mandatory insurance payment to a Chinese insurer:

Contractors' costing is usually on the high side. We can compare similar road costs per kilometer, but in negotiations the contractor would say it is not viable at the lower price level. Because there is only one single bid, we cannot go to another contractor. . . . Also, the Zambian government has to pay insurance through Sinosure, an amount equal to 10 percent of the loan amount. I don't see why you need insurance for a government contractor to do a government loan project. The World Bank requires no insurance, but it takes two years to get a World Bank loan, whereas Chinese loans can be approved in six months.[45]

Technocrats, in contrast to politicians, were well aware of the danger of signing up for Chinese loans with all their hidden conditionalities. They complained most about the lack of open bidding, which led to inflated price tags for these loans projects. A director at the Road Development Agency (RDA) gave an example of an ongoing concessional loan project:

We are losing out as a nation. It sounds good to get "concessional" loans. But because there is no bidding, we are paying much more. Take the Mbala–

> Nakonde Road they are building. It costs $180 million for 170 kilometers. Normally, the rate for such a road is between a minimum of $500,000 per kilometer to a maximum of $1 million. Had it been competitive, it would have cost something like $100 million. But this is election time; politicians jump at this kind of concessional loan. The contractor had already secured the agreement with the Ministry of Finance when they came to us. We just negotiated about the details of design, not the amount of the loan.[46]

Showing me a list of ongoing concessional loan road projects, a manager at the RDA responsible for building roads criticized the peculiarity of the Chinese way of noncompetitive bidding, compared to other sources of concessional loans.

> We suffer from high costs due to single sourcing, often 30–40 percent higher, enough for you to do another project. Concessional loans with the World Bank have no such problems, because there you always have open international bidding. ADB [African Development Bank] and the EU have never done single sourcing. The Japan ring road project is ongoing, and they did open bidding in Japan. Only with the Chinese do we have this problem of noncompetitive single source. We have complained to Finance about this. But the government is desperate to achieve all our ambitious goals within a short period of time. L400 [the Sata government's project to construct four hundred kilometers of roads in Lusaka], for instance. Government does not have all the necessary funds. Many of these projects will need to combine government and external funds.[47]

He pointed to another ongoing road project with an inflated price tag and the collusion between the Chinese state's commercial interests and Zambian politicians' career interests:

> In terms of priorities, ours [technocrats] are always in conflict with what the big guys want. Politicians are on one side; technocrats of the Ministry of Finance and RDA are on the other side. We have procurement priorities in our national plan, but the politicians want to move phase 2 projects to phase 1, and want them now. I'd say we get to build 80 percent of our priority projects, but about 20 percent were political projects. We are forced to do roads that have no immediate [economic] benefits. . . . RDA has gone on record as having categorically rejected the offer to build the Mansa to Luwingu Road [175km] by China Henan. . . . Later, we got instructions from the Treasury that we must proceed. . . . We are technocrats who know how much a kilometer should cost. If it costs $4 million there is no way we would agree to a $9 million estimate. But that's the case with Mansa–Luwingu, now 30 percent done. Who knows why they signed it?[48]

"Those guys in Finance" were themselves constrained by their bosses, the politicians. Here is an example that one official recounted:

> In 2008, ZESCO, our utilities company, got a commercial loan from China EXIM Bank to build a power station. I sat on the board of ZESCO, and when I saw the loan I asked [about it]. They said it was government, the Minister of Energy then, who asked ZESCO to sign that loan, without a feasibility study. $168 million for a power station! Engineers now estimate that project to cost $88 million. . . . Or the Minister of Defense would agree to sign on a loan for aircrafts or equipment, and when it came to us [Finance], it's a done deal. Without a feasibility study, the Chinese side can always get approval from our cabinet to undertake projects at their price.[49]

The conflict between national developmental interests and a politician's career interest has a direct bearing on Zambia's debt sustainability. In the long run, Chinese loans pose the serious threat of recreating Zambia's crushing debt burden, of which they have only recently been relieved, thanks to the HIPC initiative. According to the Ministry of Finance officials, SADC countries, including Zambia, have agreed to voluntarily limit themselves to not borrow more than 3 percent of the GDP in any given year—1 percent for domestic borrowing and 2 percent for external borrowing. As a matter of prudent macroeconomic management, Zambia has for the past ten years abided by the debt limit of 3 percent of GDP. It is a policy benchmark within SADC and it did not begin with the Patriotic Front administration.[50] Yet such fiscal caution is being eroded by a fear of losing in a "race to the bottom" among African nations vying to engage China, the emerging superpower on the continent, sowing the seeds of long-term indebtedness. A senior technocrat in the Ministry of Finance assailed the rampant rent-seeking behavior of Chinese contractors and creditors. He astutely identified the Chinese political agenda:

> In Africa, the Chinese are reluctant to give grants because there is demand for their loans. In most African states, the demand for concessional loans is incentivized by Chinese rent seeking where heads of states and ministers are given favors, and they then decide to take the Chinese on board. . . . There is a race to the bottom. Each one of us [African countries] wants to have an economic relationship with the Chinese. They are a major source of financing, so we don't want to be left out in the competition to engage them. Economically speaking, it makes sense that we don't get this money, but when we look at the future economic relationship, when we will be in need, probably the Chinese will be an option. So we cannot destroy our present relationship with the Chinese.[51]

My analysis of Zambia offers a counterinterpretation to Deborah Brautigam's more sanguine conclusion. In her 2009 book *The Dragon's Gift*, she showed that loan commitments from the World Bank and the China EXIM

Bank to Africa were at similar levels, $17.4 billion and $16 billion, respectively, between 2005 and 2007. She maintained that because Chinese loans closely fit a country's ability to repay, they are not likely to create a new debt crisis for Africa. "The larger, less concessional loans are offered to countries such as Angola, Congo, Nigeria, and Sudan, all with rich deposits of natural resources that can serve as collateral. Smaller, poorer countries (Togo, Mali, Rwanda, Burundi) tend to receive grants and zero-interest loans. . . . There is every indication that the Chinese do not intend to write off the Exim Bank and China Development Bank loans they are now making."[52]

First of all, in Zambia as of mid-2014, seven years after the period discussed in *The Dragon's Gift*, China had become the largest creditor to Zambia. The total amount of the cumulative Chinese loan portfolio now stands at about $1.2 billion, exceeding the World Bank's $840 million and the African Development Bank's $600 million.[53] After HIPC, the World Bank became very stringent with loans while China became the alternative source of loans. Second and perhaps more important, Brautigam's aggregate data did not show what she claimed to show, that is, Chinese due diligence in assessing debt sustainability and concern for African development. By looking behind the scenes into the actual mechanisms, power dynamics, and interest alignments that lead to these loans, I come to a very different conclusion. Zambian finance officials themselves admitted that Chinese loans would create a debt crisis down the road, a conclusion that Brautigam seemed more ready to accept in 2016, with the downturn in commodity prices.[54]

CENTRAL SOE CONTRACTORS: PROTECTED PROFIT MAXIMIZERS

The contractors that execute concessional loan projects represent the second form of Chinese state capital. By all accounts, only subsidiaries of central SOEs have the high-level connections to pull off these lucrative projects (i.e., higher price tags, guaranteed payment, and terms stipulating preferred Chinese content). In Zambia, major players include the subsidiaries of the central state-owned companies, such as the Aviation Industry Corporation of China, International; China Geo-Engineering Corporation International; Overseas Company of China Railway Seventh Group Corporation; and China 15th Metallurgical Construction Group Company.[55] Not restricted to the market for concessional loan projects, these state contractors might seek out other local business opportunities or move on to neighboring countries to accumulate regional (African) credentials for future projects. Unlike the mining companies, these companies undertake projects that are short term and highly profitable (due to single noncompetitive sourcing) with guaranteed payment by Chinese concessional loans to Zambia. If there is any political mission or concern in their undertaking, it is China's national image. A site manager responsible for the construction of the Ndola stadium, a concessional loan project undertaken by the Anhui Foreign Economic Construction Group, admitted that "the quality requirement is especially strict for this kind of project because it symbolizes China's goodwill and friendship. We have many visitors, so this is a matter of national image. . . . There is no contradiction between enhancing national image and making a profit, as long as the [Zambian] government facilitates our progress."[56] As we shall see in the next chapter, the Zambian government does "assist" the Chinese state contractors in dealing with labor conflicts, to the detriment of Zambian workers.

Another indicator that central SOE contractors are as profit driven as provincial and privately owned ones is that they also compete with one another for projects funded by the World Bank and the Zambian government. Provincial SOEs from Jiangxi, Henan, Gansu, Anhui, and Shanghai were originally sent by the Chinese government to Zambia in the 1990s to build foreign aid projects (e.g., government complexes, soccer stadiums, hospitals, and roads). Having established a foothold in Zambia, they stayed on to exploit the newly liberalized construction market. All of them compete fiercely with private Chinese contractors for road and building projects.[57] In stark contrast with copper mines and the disbursement of concessional loans, the imperative of Chinese state construction companies is purely commercial, no different from their Chinese private counterparts or other non-Chinese contractors from South Africa, India, and Zambia. Most companies report that the profit margin in China averages 7 percent, but in Zambia it is 14–30 percent, depending on the type of project. In a business where the number one challenge is clients' default or delayed payments, concessional loan contracts provide the most secure commercial environment for these Chinese state contractors.

To recapitulate, a concessional loan is a multipurpose tool of the Chinese government, executed through its policy banks, mostly the China EXIM Bank, for African projects.[58] It is a means for China to (1) cultivate political influence through the selection of recipients (countries and politicians), (2) create an investment outlet for China's sizable foreign reserve, and (3) open up new overseas markets for Chinese SOE contractors and the huge stockpiles of steel, glass, and machinery at home. On the receiving end, the Zambian state's developmental interest is hampered by the shortsighted personal career interests of many politicians who relish the easy availability of fast Chinese loans.

Conclusion

This chapter shows that because of its logic of encompassing accumulation—pursuit of profit, political influence, and mineral access—Chinese state capital, rather than throwing its weight around, had to be more sensitive and accommodating to the Zambian elite's priorities, more so than other multinational corporations seeking the singular imperative of shareholder-value maximization. Despite originating from a centralized state enterprise system, Chinese state capital improvised on the ground and reacted to local political pressure. Compared to global private capital, its state-owned nature made it a higher-value target used by politicians riding the wave of resource nationalism. Its encompassing set of objectives also made it less mobile than global private capital. At critical junctures, these different logics of accumulation led to distinct corporate behavior consequential for Zambia. In the wake of the 2008 financial crisis, the windfall profit tax legislation, and Zambia's strategy of copper value addition, Chinese state capital showed a unique responsiveness to the Zambian state's agenda.

Yet, as the contrast between copper and construction shows, this peculiar potential for African development was not due to any inherently benign constitution of Chinese state capital, but rather was an outcome of a political synergy by the Zambian state and the populace to channel Chinese state capital to long-term national development and not politicians' short-term career interests. In the construction sector, Chinese state capital in the forms of concessional loan projects and state-owned contractors were in Zambia for both profit making and political patronage building. Without a strong developmental agenda for this industry, Chinese state capital became a perilous force that might perpetuate the long-term indebtedness from which Zambia had painstakingly emerged a decade ago. Resource nationalism's exclusive focus on copper blindsided the Zambian state and society alike and contributed to the failure to embed Chinese state capital in construction the way it did in mining.

Beyond this variation across industrial sectors, the contested and interactive character of Chinese state capital can also be illustrated by Michael Sata's changing position regarding Chinese investors. Sata, the opposition candidate, was known for leading the charge against Chinese investment, assailing the collusion between the incumbent government and Chinese state companies as tantamount to selling out the country's natural wealth to another country. Yet, after the three incidents discussed in this chapter, and realizing the indispensability of Chinese investment, Sata significantly toned down its anti-China rhetoric in the 2011 election.[59] After his ascension to power, Sata, the president, and the Chinese embassy, together with CNMC, openly embraced one another. It made headline news when President Sata hosted a banquet for Chinese companies and publicly pledged the new government's welcome to investors from China. Unbeknownst to the public, however, the idea and the funding for the banquet came from the top Chinese state investor—CNMC. As in other countries, Chinese state investors learned the hard way that the longtime incumbent government in a democracy, such as MMD before Sata's victory, may lose power, and that they had to diversify their political bets and support among local political parties.[60] Over time, as the Chinese government and the Patriotic Front administration sought to leverage their mutually dependent relationship to realize their respective interests, and as NFCA was compelled to adjust and adapt to labor demands and improve its safety record, Chinese state capital became more accepted in Zambia.

Similarly, in construction Chinese state capital was subject to change and backlash. Although politicians still welcomed Chinese loans, technocrats began openly to voice concerns about the noncompetitive single-sourcing requirement that comes with these loans. Chinese creditors also began to seek a new balance between their profit and political motives, realizing that when Zambia's debt burden became unsustainable, it would come back to haunt China in the long run. In 2014, Zambian officials asked the China EXIM Bank, through the Chinese embassy's economic and commercial counselor, to reform the single-source requirement, that is, to institutionalize bidding among Chinese contractors. The Chinese side reportedly responded positively to this recommendation.

In the next chapter, we leave the noisy domain of political rhetoric and policy struggles to enter the hidden abode of production. I will show that Chinese state capital's encompassing accumulation dictates a particular way of mining and dealing with miners, quite different from that of profit- and increasingly finance-driven global private investors. Comparing copper and construction in terms of the regime of production will once again help highlight how uneven state capacity combines with uneven strength of organized labor in these two sectors to lead to more compromises by the Chinese in copper than in construction.

3

Labor Bargains: Regimes of Exploitation and Exclusion

Underground mines a thousand meters beneath the surface are unforgiving places. My ethnographic fieldwork in the mines began at NFCA's Chambishi mine. As I shadowed safety officers and maintenance engineers underground to observe how miners work, I found myself utterly unprepared for the oppressive humidity, high temperatures, deafening noise, and pervasive, disorienting darkness. Trekking on uneven, muddy terrain, through water that can rise to knee level, I struggled to keep my balance on the ground, capturing the thin circulation of oxygen, while sweating profusely like everyone else. At times, in between shifts, right after blasting, dusty and smoky air would move over dark and rugged rocks hanging over a ten-meter-wide stope shaped like a bottomless black hole. If hell existed, this would be it, I said to myself. I had no other vocabulary for that world.

One day, in one of the first few trips down, after more than an hour at a particularly suffocating corner at the 826-meter level, I felt my lungs collapse and stick together, with no air going in no matter how hard I breathed. I told my colleagues that I would faint and implored them to bring me up to the surface immediately. They graciously did. Even as my lungs recovered, I felt deflated as a fieldworker. Later, as I moved on to the undergrounds of the other mines, KCM and MCM, I was more acclimatized but also realized that they were as hot, dark, and dangerous as the Chinese one. The Copperbelt made my old stomping grounds—factories in China's sunbelt and rustbelt—look like decent workplaces.

Just as I would sometimes forget which mine I was in once I went underground, miners' descriptions of their daily work in different mines were strikingly similar: harsh, dangerous, and demoralizing. Derek Chanda, a miner at NFCA, joined the mines expecting more money because he knew it involved harder work than most other jobs. Beginning as a general worker, he was trained two years later as a locomotive driver to carry copper ore, and then promoted to PIC (person in charge) after another three years. He was promoted to shift boss at the seven-hundred-meter level after eight years. He said:

> The underground is very risky and hostile, full of dangerous elements. At any moment, you face death, like from a rock fall. I've seen many accidents. Previously, almost every week, someone would be injured in the arm, legs, or shoulders. Hard hats are of no use when huge rocks fall. They have put in place more safety measures since 2010. . . . It's so hot that it is like a grill, an oven. The ventilation is very poor; people feel weak because they cannot breathe well, like someone has run a long distance. Fainting is common. Air is saturated with gases from the rocks, exhaust air from the trucks, and the dust from the boomers. For facing so many risks every day, we only get peanuts at the end of the month.[1]

MCM's underground was no better than that at NFCA, I realized later. Victor Chilesite, a contract worker who had worked in different mines, highlighted the work pressure on top of the physically oppressive environment:

> It is slavelike conditions because the temperature in Mindola [an MCM mine site] at all levels is intolerable. Ventilation is too poor. If you don't drink water, you'd pass out. MCM has safety standards but it gives contractors meters and the contractors only care about meeting the targets. There is a lot of pressure on the workers to meet the target but there are lots of problems every day: waiting for machines to get repaired, congestion underground, or the machines are too hot and [you] have to stop them to cool down. In an hour I can barely make one trip, but the target is ten trips a shift. The supervisors [section boss, shift boss, mine captain] keep shouting at you, "Tomorrow, don't go down the mine," threatening to suspend me when I don't make the target.[2]

Despite doing physically strenuous work for hours on end, most miners did not eat during their shift underground. It was an industrywide tradition that the mining companies issued miners two pieces of mine bread, or *kampompo* in Bemba, before they went down. Some companies provided a monthly ration of sugar, cocoa, or tea leaves, if the unions managed to include these in their collective agreements. Yet, with no official lunch break and demanding production targets to meet, many ate at home and saved the *kampompo* for their children or spouses. Miners with pocket money to spare would buy soft drinks at the tuck shop near the changing house, but many simply put sugar in their own water bottles, added water, and shook. This sweet water was their source of energy for the day. With time, as they came to realize, their bodies got used to feeling hungry. An electrician at NFCA said in a matter-of-fact tone:

> Many people don't eat underground because the air is too bad. You'll get a stomachache if you eat in all the foul air. I either eat before I go down or after I come up. I feel hungry but I am used to it. A few people eat underground, but you have to find your own time. There is no official lunch break. Hygiene is generally bad underground because people urinate anywhere, and some even defecate at crosscuts [areas that are closed off after production is finished]. They are not supposed to but they do it anyway. You will be fired instantly if you are caught. The cotton masks they give us are not good enough for filtering the shoots. They are always black when you take them off at the end of the shift. It's so hot underground that when supervisors are not around miners look for places where there is a bit of cool air or cool water dripping from the rocks.[3]

KCM's Nchanga underground was similar, according to a twenty-eight-year-old scrapper driver:

> We spend forty-five minutes walking from the man cage to the work area, and another forty-five minutes back at the end of the shift. It's far away. We eat before going underground because there is no break for eating. Some people eat at the gathering area during the five-minute safety talk at the beginning of the shift. Toilets are so far away, near the haulage areas, it takes thirty minutes to get to. So people take a leak where they are when no one is around. But this is a dismissible offence, if a supervisor caught you. This is serious because airflow is bad enough here as it is.[4]

To say that all three mines were equally merciless abodes of production is to gloss over differences among them that were consequential for Zambian workers, mining engineers, and the Zambian state. This chapter begins by discussing how postindependence state authoritarianism, externally imposed liberalization of Zambian labor law, and standardization of global production technology provided the common backdrop to some striking commonalities in production regimes across the two varieties of capital and across the two industrial sectors. The second section of the chapter goes beneath the appearance of similarities to reveal the significant differences between Chinese state capital and global private capital in their respective mining methods and management of miners. Chinese state capital's cardinal concern with stable physical production of copper compelled sustainable mining practices. In contrast, global private capital's more speculative trader orientation of exchanging copper for profit led to a tyranny of finance over production inside the mines. Relatedly, whereas low wages (exploitation of labor) was the crucible of labor contention in the Chinese state mine, retrenchment (exclusion of labor) was the most salient worker complaint in global private mines. These differences were illustrated by incidents of strikes and labor conflicts over time and across the mines. The final section of the chapter turns to construction. Chinese state contractors were as profit-oriented as their global private counterparts and, as a result, there was minimal substantive difference in the regime of production across construction sites. Compared to the long-term and place-bound nature of mining, the short-term and mobile nature of construction projects further weakened construction workers' organizing and bargaining power vis-à-vis all employers, Chinese included. Their lot was much more precarious than their fellow workers in the mines.

Political, Legal, Technological, and Racial Disempowerment of Labor

Even before the current wave of foreign investment arrived fifteen years ago, Zambian working-class power had been legally, institutionally, and politically decimated, thanks to four decades of disempowerment by Zambian state policies, legal reforms, and structural adjustment. Despite being a significant force in the struggle for national liberation, organized labor in the postindependence era succumbed to the ruling United National Independence Party's corporatist control. In the name of national interest, the first Zambian president, Kenneth Kaunda, publicly declared strikes illegal even before the promulgation of the Labor Relations Act (1971) that formally made strikes illegal. In return, Kaunda offered miners paternalism in the form of a "'cradle to grave' welfare system that subsidized diapers and burials," housing, electricity, transportation, water, and food.[5] With the collapse of copper prices beginning in the mid-1970s, workers' demands for wage increases and subsidies were met with staunch resistance from the IMF and the Zambian government, which was concerned with inflation. By the late 1980s, trade unions became increasingly alienated from the ruling party and led societywide resistance against adjustment and austerity, eventually bringing the union leader Frederick Chiluba to power, ushering in multiparty democracy with the promise of rolling back neoliberalism. President Chiluba reversed his position to become an ardent supporter of privatization, and infamously asked workers to "die a little" to revitalize the national economy.[6]

It was during Chiluba's presidency in the 1990s that labor law reform, as a part of loan conditionality, laid the legal framework for today's production regime. Sympathy strikes were declared illegal under the Industrial and Labor Relations Act (1993), which also splintered the trade union movement by removing the "one industry, one union" clause. A World Bank loan in 1996 came packaged with the condition that labor laws be amended and employment relations liberalized.[7] The result was the 1997 revision of the Industrial and Labor Relations Act, which removed the compulsoriness of industry-level collective bargaining and thereby decentralized collective bargaining to the enterprise level, weakening the collective power of the unions.[8] An amendment of the Employment Act similarly sought to deregulate the labor market in the name of attracting foreign investors. Among other things, it changed the definition of a casual worker to allow for a longer duration of casual jobs and removed compulsory benefits for workers.[9] In short, in one revision after another, liberalization of the Zambian labor code was accomplished well before Chinese and non-Chinese investors arrived. The past decade has not seen any reversal in the declining power of organized labor, even with the election of the populist president Michael Sata and his pro-poor economic policies. The labor law reform proposed by labor minister Jackson Shamenda in 2013, for instance, still stipulated dispute settlement procedures before a "legal" strike can take place.[10] As of 2014, it was still unclear as to whether this modest relaxation would be passed by the legislature.

Besides Zambian laws and politics, global standards in production technology and labor processes in mining and construction also undermined the workplace bargaining power of workers across sectors and investors. With privatization and new investors came mechanization of the mines. In contrast to the extensive use of manual underground labor observed by Burawoy in the late 1960s, the mines in this study all brought in American and Swedish heavy equipment (brands such as Caterpillar, Sandvik, and Atlas Copco) to achieve higher levels of productivity. As a result, the most common sight underground during my fieldwork was no longer miners drilling in narrow tunnels with jackhammers but instead operators and drivers of large boomers, loaders, and dump trucks excavating stopes ten meters wide. Workers were highly replaceable, even as the basic production process of mining had not changed. It consisted mainly of drilling and blasting for primary and secondary "development" (digging new seams to access the ore), stope drilling and blasting for "production" (extracting the ore), lashing (moving the ore to a tip), crushing, and transporting the ore to the concentrator for processing (extracting copper from the ore). The worldwide trend has been to use subcontractors who in turn offer minimal training to short-term contract workers. The use of casual and contract workers was equally prevalent in construction. Chinese and South African contractors imported heavy equipment from their respective countries, but the types of machines and the labor process of mixing cement and laying bricks and asphalt were similar across work sites.

Another striking similarity in foreign-owned workplaces was the "colored glass ceiling." Expatriates dominated senior management in all foreign companies in mining and construction, accounting for 5–10 percent of a company's workforce. As a reference, in the immediate postindependence years, expatriates accounted for 10 percent of the mining workforce.[11] Despite the widespread rumor that Chinese companies brought their own manual workers rather than hiring local Africans, scholarly research has not found any empirical evidence to substantiate this claim. A four-country survey on Chinese contractors in Africa published by the Center for Chinese Studies at Stellenbosch University in South Africa corroborated my own survey findings in Zambia: Chinese contractors, like South African contractors, employed a minority of skilled supervisors from their home countries but hired the majority (85–95 percent) of the workforce locally.[12] Another study on Chinese state construction companies operating in Ghana reported a similar range of 85–94 percent African workers among their workforces, and mounting political pressure for localization among managerial ranks.[13] Even in concessional loan projects where the Chinese can have larger quotas of Chinese employees, my survey indicates a maximum of 43 percent of Chinese employees.

Across the mines and contractors, regardless of nationalities, this minority of expatriates wielded disproportionate power, as they were concentrated at the top of the corporate ladder. Strictly speaking, the "color bar" principle (no white man should be subordinate to a Zambian) prevalent during the colonial period was no longer practiced. Yet, an invisible colored glass ceiling was operative, so that Zambians were rarely found among the "chiefs"—chief executive officer, chief production officer, chief operation officer, and chief financial officer. By Zambian work permit regulations, human resource positions could not be given to foreign employees, and therefore, the human resource manager was often the highest position at the corporate level for Zambians.[14] Despite detailed guidelines and restrictions of foreigners to positions that could not be met from within Zambia, the issuance of work permits to expatriates was strongly criticized as too liberal by locals. Besides using bribes and favors, ranging from company T-shirts and calendars to meals, jobs, and cash to ease the process, foreign companies found ways to game and bypass the system. For instance, large companies justified bringing in non-Zambian accountants and engineers by referring to Zambians' lack of experience in handling large-scale projects. Chinese companies easily used Chinese language proficiency as a skill needed for many positions. Cooking ethnic food was another common justification for bringing in expatriates who may be reassigned to other positions after they enter the country. The result was that none of the companies in mining and construction in this study reported having problems with obtaining work permits. It was a cumbersome process, they admitted, but they always managed to bring in their expatriate employees.

Racial subordination of Zambian managers and professionals as a public or political issue is muted today, unlike in the immediate postindependence years. These senior Zambian employees did not have collective representation, and they resorted to individualist strategies to get ahead. They were often suspect to Zambian rank-and-file workers and unionists. As a matter of fact, in strikes at the mines, Zambian HR managers were regularly denounced by workers holding placards with their names written over by a large cross sign, demanding that the top Zambian HR manager "must go." On the other hand, Zambian managers' discontent and indignation were also palpable. Many times when I talked to them about various company policies, they could not help but circle back to their subordination to expatriates. One senior manager at KCM described people like himself as glorified clerks, while the real power was limited to Indian expatriates:

> All the top guys are Indians for the peace of mind of the owner. . . . But this place is practically all run by Zambians; look at the managers, engineers, and geologists. I guarantee you the mines will remain the way they are, if we have a Zambian CEO. What is demoralizing here is that many Zambian production managers do not have the authority to make decisions. The commercial department has real authority and is run by an Indian. Here, finance and commercial have to be led by Indians. In operations, shoveling ore, Zambians are okay [laughs]. There is a bit of secrecy behind closed doors, off limits to Zambians. Even in meetings, they flip over to Hindi and all of a sudden you know they don't want you to know about something.[15]

Likewise, at NFCA, the highest-ranking Zambian on the organization chart occupied the recently created position of assistant CEO, with the ostensible portfolio of human resources. But he did not participate in the senior management team's weekly meeting and was not privy to many discussions conducted in Chinese. He was called on to handle external relations with the Zambian government and community and to represent the company at ceremonial functions, but most of the time he was very isolated and alienated from the rest of the Zambian workforce as well as from the Chinese senior management. Down the road at MCM, which has a reputation of advancing Zambians to top positions, including that of the CEO, a Zambian underground mine manager complained about the persistent subordination of Zambians to expatriates. "We are demoralized by the company filling up senior posts with expats. It does not matter whether they are Peruvians or South Africans. . . . When there was this vacancy [of a mine manager, his boss], why did they hire this new white guy? I can do the job. We [Zambians] have always achieved 100 percent of the target."[16]

In construction, a similar colored glass ceiling existed for Zambians, regardless of the ownership types or national origins of the foreign companies.

As a less regulated, project-based business, there was even less effort to advance Zambians to managerial positions. Chinese state and private contractors, like their South African and Indian counterparts, all placed expatriates in positions of power over Zambians. In many construction companies in this study, I found several longtime Zambian employees in middle-management positions, right beneath the expatriates. Described as loyal, hardworking, and skilled by the expatriates, they handled human resource routines and labor conflicts.

In sum, when Chinese companies, together with other foreign investors, arrived in Zambia in the late 1990s, they found a political economy that had been put in place by forces and agents not of their making, but of which they took advantage. It was the World Bank, the IMF, and traditional Western donors and their imposition of structural adjustments, as well as the Zambian state's policies and global technological development, that conspired to create a permissive environment for their operations. Having established this political apparatus of production for mining and construction companies, the next section moves inside the mines and construction sites to understand how the different imperatives of Chinese state capital and global private capital shaped different politics at the point of production, that is, how companies produced and how they controlled the producers.

How Do Mining Companies Mine? Producer or Trader Mentality

Mining seems like such a harsh, dirty, and dangerous occupation that I was totally surprised to find mining engineers and production managers talking passionately about their work. Some said mining was "in our blood," while others talked about the challenge and excitement of finding and extracting ore from nature. A mine manager recalled that he was so proud of his job that he used to keep wearing his dirty and sweaty overalls when he walked out of the mines to meet his girlfriend. Through them, I learned to appreciate the allure and beauty of nature underground. In the dimly lit tunnels, where my uninitiated eyes saw only menacing rocks with sharp edges lining the walls, as if they were all poised to fall at any moment, these mining professionals would discuss among themselves whether the ore grade was 1.8 percent or 2.5 percent (of copper) just by glancing at the rocks. In several occasions, noticing my astonishment, they picked up a pebble-sized piece of ore from the ground, and pointing at it with a miner's flashlight. Suddenly, I saw sparkles of minerals in all their splendid colors: gold was chalcopyrite, purple was azurite, and blue was bornite. "This is what we are after," they would say. "Keep it as a souvenir."

Back in their offices, the same passion they brought to their work underground inspired some of the most trenchant critiques of the ways foreign investors were mining. Invoking standards during the state-owned ZCCM (Zambia Consolidated Copper Mines) era or technical rationality they subscribed to as professionals, Zambian mining professionals distinguished investors according to the way they explored, developed, and extracted ore. Their insights formed the basis for my distinction between an ore-driven producer orientation and a finance-driven trader orientation. Specifically, Chinese state capital's interest in long-term, stable production of copper ore, for both its exchange *and* use values, was manifested in the way NFCA invested in exploration, drilled for minable reserves, and made everyday production decisions. This "productionist" orientation was hardly noticeable until we contrasted it with the other two mines, driven by what Zambian mining experts called a "trader mentality," that is, trading copper for short-term profit. Among the three mines, Zambian mining experts used the term mostly to describe KCM and, until recently, MCM. KCM's parent company, Vedanta, built its fortune and expertise in processing (smelting and refining) and had only begun mining in recent years. Its investment emphasis and management practices in Zambia confirmed that its interest was less in mining the ore and more in processing copper for sale. MCM had been driven by a similar "trader mentality" up until about 2010, when it began veering toward a producer mentality. This change, according to mining experts in Zambia, may be related to the recent merger between its parent company, Glencore, the world's leading commodity trader, and Xstrata, a global mining major.[17] This fundamental difference in mining orientation shaped how the mines mined: how they explored, developed, and produced copper ore underground.

EXPLORATION

Exploration refers to surface drilling aimed at discovering, inferring, and measuring new mining resources. The goal is to increase the level of confidence about the existence, location, and grade of ore underground before underground drilling takes place to turn mineral "resources" into minable "reserves." It is an expensive exercise (costing an average of $250 per meter in Zambia) whose commercial payoff is highly uncertain. Rather than comparing the absolute quantity and money spent on drilling across the mines—which is a problematic measurement, given their varying scale of production—we can look at what the three mines have undertaken in exploration over the past decade to gauge their different business intentions.

A team of Zambian mining experts surveying the various mines in 2013 noted that whereas NFCA had consistently invested in greenfield drilling, resulting in discovery of a large confirmable ore body within its licensed area, KCM and MCM (up until 2010) had done only "cosmetic drilling," which was "drilling not to generate the quantum to produce, but only to give an impression that you are exploring." One of the members of the team, a renowned mining expert with decades of experience in top-level management at ZCCM and later KCM (under Anglo American), contrasted NFCA with other mines: "NFCA has long-term vision because it is exploring what we call virgin areas: green fields, not brown fields. If you leave Kitwe for Chambishi, before you reach the river on your right, NFCA is drilling where no one has drilled before. They are discovering that area is the extension of the same ore body on the other side of the river. It's a big ore body."[18] In their industrywide report submitted to the Zambian government, the experts noted that "KCM has spent over US$2.8 billion on the Konkola Deep Mining Project and upgrading concentrating, smelting, and refining facilities; however, there has been no significant improvement in production in the last 5 years. Management has diverted funds from operations to finance capital projects resulting *in failure to invest in exploration activities*. . . . [A]t the moment Nchanga Mine has no minable reserves resulting in feeding of low grade ore to processing plant thus leading to recoveries of as low as 25 percent at Nchanga Concentrator."[19]

The situation at MCM was more interesting, as its business model seemed to have shifted around 2010, when Glencore began a merger with Xstrata. According to a mining expert with close ties to MCM, "In 2008, they [MCM] wanted to maximize earnings and get out. At that time, Glencore was thinking of moving into the Congo. But they have changed since and they have put over $2 billion into expanding the ore source. With the Synclinorium Shaft they are sinking, they will add about thirty years to the life of Nkana mine. Perhaps they have decided that it is better to stay and grow in Zambia then to move to the Congo. In Mufulira they are also sinking deep shafts, probably under the influence of Xstrata. . . . It means they have drilled and located where the ore is."[20] Still, in terms of greenfield drilling, MCM fell behind NFCA. A member of the board admitted that "MCM does 'in house exploration' to increase confidence level to determine the extent of what we know already exists, much of it underground but within our licensed mining area. We are not looking for new ore body now, but in the future we may form a joint venture with other companies to do exploration."[21] His finance manager also confirmed that there was "no budget for exploration."[22]

From the perspective of profit-maximizing foreign investors, exploration was a risky investment for the next twenty-five to fifty years, which might not translate into short-term increases in shareholder value. Depending on where companies saw their revenue streams and core businesses as lying (mining or processing), investment in discovering mineral resources might not be a priority. Yet, to Zambia as a copper-based economy, it was imperative that foreign investors take a long-term interest in expanding the total quantum of known reserves in the country. That was why mining experts paid close attention to "life of mine," that is, the number of years ore reserves can be extracted. In light of this Zambian national interest, for better or for worse, Chinese state capital was arguably a better ally than global private capital. Behind NFCA's investment in exploration stood Chinese state funding for overseas exploration, financial support that might not have been commercially viable for individual companies to bear. A senior manager at NFCA pointed to the importance of state funding for exploration:

> We did very little surface drilling from 2003 to 2008. Just relied on what we inherited from the Zambian geological records. In a way, we were just eating up our savings. When the parent company increased our production target over time, i.e., reaching 100,000 tons of copper by 2018, we needed to do surface drilling. From November 2008 to June 2013, we have drilled a total of 83 boreholes in the South East Ore Body, 68,844 meters, costing about $20 million. It's a big investment for a company of our scale. . . . Why did we start surface drilling in 2008? That's when premier Wen Jiabao encouraged Chinese mining companies overseas to do more geological prospecting. The Ministry of Finance and Ministry of National Land and Resources [of China] set up a fund to bear the cost of risky exploration. Companies apply for it and do not have to repay. So we are using the state's money for exploration. It's a part of the government's resource strategy, to find more resources.[23]

DEVELOPMENT

Development in mining refers to drilling and blasting underground to put in the infrastructure and to access the ore in preparation for the actual extraction (also known as production) of ore. Generally, primary development entails collecting information on the rock formation and installing the main underground haulage (horizontal transportation of ore), which ideally should be about two years ahead of production. Secondary development then is blasting and drilling to have fully developed reserves at least six months ahead of production.

The difference between global private capital and Chinese state capital in development was most apparent when financial conditions became volatile. At KCM and MCM, mine managers confirmed that development work stopped during the financial crisis in fall 2008, leading to a "hand-to-mouth situation." That is, instead of allowing six months between development and production, these mines had only one to three months of minable reserves, a nightmarish situation for any mine since any unanticipated challenge would grind production to an absolute halt. An MCM senior manager recalled:

> In fall 2008, when there was a cash problem, the area you would go to cut costs was always development, because it has no immediate impact [because it was six months ahead of production]. We cut back significantly on development underground. Standard is two years of primary and six months of secondary. We went back to three months or less, so a cutback of about 50 percent. That's bad for production, because when prices came back up, it would be very difficult to double development overnight. You have fixed times to blast, once or twice a day. You need at least an hour to allow foul air to get out. It was not until 2010 that we resumed normal development.[24]

One underground mine manager at MCM confirmed this:

> Because development is way ahead, that's money being tied up for the next six months. You don't make money. That's what we had before the global meltdown. After that, decisions were made to save money and to cut down on the amount of development. Even now we are still at three months, but we are starting to build up. . . . We do not have enough opened-up reserves. Previously we had developed alternative reserves. But in 2008 we were told that we had already developed too much, and we had to stop this, stop that development to ease the cash flow. Under ZCCM, we did not have to worry. Development was never considered too much. Except toward the end, when there was no money.[25]

Indeed, KCM's situation seemed to be the worst among the three. A mining engineer–turned–project manager who oversaw a mine shaft in Konkola mine for eight years launched an impassioned critique of what the foreign management at KCM had done to undermine the current productivity and future prosperity of Zambia's premier mining asset. As the manager at MCM mentioned, without proper investment in developing ventilation and haulages (i.e., primary development), technical and safety problems would arise in the future. He explained the origin of the current hand-to-mouth predicament at Nchanga, a KCM mine site:

> We had a lot of reserve built up in the past. There was a one-year gap between development and production, which was very good. Then in 2006 we began feeling the lag, and now it's "hand to mouth," just one and a half months of reserves. The fundamental mistake was where investment went. We spent on a surface plant concentrator to process seven million tons per annum, but we

did not spend any money to develop underground resources. Investment has been spent upside down. Instead of the surface, we should have spent it underground. Development should be way ahead, it will improve your productivity and safety. When you are not rushing, you can plan properly. There was no investment pumped into development [at KCM]. In essence, mostly because they [the Indians] are not sure how long they'd be here. They think, copper prices are down, cost is up, so what's the point of investing in mining? Let's extract as much as we can using minimal expenditure.[26]

No one was more qualified to illuminate how a trader mentality of a mining company, manifested most saliently in KCM but also partly in MCM, adversely affected Zambia's copper resources than the geologist who created KCM's world-class asset, the Konkola Deep Mining Project. It pained him tremendously to explain to me the ruinous model of business he witnessed at the hands of KCM:

I am the geologist who defined the Konkola Deep Project. At that time, we had five hundred million tons of copper reserve at the average grade of 3 percent, a world-class deposit. The concept was started by ZCCM but was dragged into the privatization period. Anglo American was attracted by this concept. The Konkola ore body was the largest deposit in Zambia. The project was to move from two million tons of ore per annum to six million, long-term to nine million. In Nchanga at that time, it was the largest known deposit near the surface open pit; therefore, you can mine cheaply. That's why Anglo came and invested $350 million, to modernize the shaft and infrastructure. When Vedanta took over the project, instead of carrying out the project as it was meant to be done, they adopted the strategy of turning operational revenue into capital. They started sweating the asset. Instead of investing with capital and developing reserves, they went to open pit, took the ore out in the quickest way possible, got the money, and built the smelter. They are changing the philosophy of the business. They are now banking on the prospect of KCM as a treatment facility, not a mining facility. Their background in India is in smelting. Secondly, instead of following the design of Konkola Deep, they changed the design. They positioned the shaft in the wrong place [a technical mistake]. The ore body is a mountain buried underground, ten kilometers long from nose to end. They shifted the center of gravity, sinking a shaft over one kilometer with no ore in between the two ends, where there are ores. It's a waste. They ruined the open pit. We call their way of mining "diving in." They went to dig a very steep gradient, took the ore out, leaving behind a lot of waste for a future producer to take out. They also contracted out mining, and now they have a legal case pending due to late payment. Other mines refuse to sell them ore because KCM has no cash flow to pay them. I guess they have the misguided concept that ore can come easily from the Democratic Republic of Congo and they would become the treatment center, not realizing that it has to do with chemistry. The Congolese core is oxide ore, not sulfide, and has to be leached. *The first thing in mining is to develop the mine so that you have a broad base of ore to feed processing. KCM failed to do that.*[27]

In contrast to MCM and KCM, NFCA did not stop development during the 2008 crisis, thanks to its concern to maintain stable production. Members of its senior management team independently confirmed that in their production meetings, the parent company over and over again emphasized the cardinal principle of stable production. The production manager was resolute in continuing development, stressing that even a short-term interruption would be quite costly and it would take a long time to catch up afterward. Development had always stayed ahead of production by six months. An NFCA deputy CEO in charge of production adamantly enunciated that

in mining, you should never interrupt development. In 2008, we correctly assessed it was a short-term downturn. It had not affected our exploration and development. Mining is a business that has a two- to three-year lead time for production. You need to plan several years ahead. Production and development for this, next, and the third year down the road. . . . Western companies are only concerned about profit. We witnessed this firsthand: when CNMC decided to buy Luanshya, several of us went inside the mines to appraise the situation. We were all shocked to realize that the previous company had stopped development for two years, so that when 2008 crisis hit, they had no minable reserves! Not in our wildest dreams did we imagine a mine had the audacity to stop development."[28]

PRODUCTION VIA (SUB)CONTRACT MINING

Although all three companies subcontracted mining to cut costs, the much greater financial pressure on KCM and MCM drove them to maintain a much larger pool of subcontractors than NFCA. KCM was particularly notorious and ruthless in using competition among subcontractors to drive down costs, to the extent that there was an internal discourse among its own managers about the "tyranny of finance." It referred to the supreme power of the commercial department, overriding that of operations, in making production decisions (e.g., purchase of machinery and choice of subcontractors). Although MCM adopted a performance-based rather than cost-based method in subcontracting, it shared with KCM the practice of extensive subcontracting. In contrast, for the sake of stability, NFCA had used only one mining subcontractor, also from China, since production started in 2003. The difference was literally visible—the presence of a large number of subcontractors at KCM and

MCM made these mines more colorful than NFCA. The variegated colors of the subcontractor uniforms—red, orange, blue, green, and brown, mixed in with the white overalls of KCM and MCM—contrasted sharply with the monotonous army-green uniform of NFCA and the worker's blue of its single subcontractor, JCHX Mining Management Co.

The main attraction of contractors was that they cost about 20 percent less than hiring direct employees because of overhead, according to a production manager at KCM. But what made KCM's use of subcontractors problematic from the perspective of those in production was the price competition they built into the selection of subcontractors. The head of commercial explained to me how he normally negotiated with two finalists and used each of them as leverage to drive down the final contract price. An assistant mine manager, trying to contain his frustration and anger, complained about the "tyranny of commercial" at KCM. "A lot of times, commercial drives down the price so hard that they actually break the contractors. A good portion of them have failed midway and they affect me in production. So in the end you are not saving after all. We in production cannot reject the contractors commercial picked based just on price."[29]

Attending one of the production meetings between KCM's manager and its subcontractors revealed the common underground problems entailed in contract mining.[30] Subcontractors were paid on a piece rate per meter. Some of them brought their own machines; others brought just labor. Their profit margin was low, not more than 5 percent, meaning that they could easily go under and they could offer only low wages to their staff. The quality of their frontline supervision (site manager, mine captain, section boss) and workforce morale were therefore always low. The number one challenge was absenteeism, which was so intractable that the only solution the KCM manager could find to reduce its impact on the mine was to synchronize the peak of absenteeism among subcontractors' workers with the mandatory KCM "men to rest" day during the first week of every month. They were resigned to the fact that low motivation would not go away as long as indirect workers were paid some 40 percent less than KCM's direct workers, with whom they worked side by side to extract the ore after subcontractors' blasting or to keep the water pumps and compressed air going for the subcontractors' jackhammers. Other common problems concerned contractors' delayed payments to their own workers, which had triggered downing of tools and disrupted KCM's own production schedule. Contractors varied in the terms of employment, with some providing *kampompo*, personal protective equipment, and housing allowances, and some not, to workers who practically were doing the same jobs. Turnover was very high, creating gaps in labor supply, especially for jobs that many young Zambians—the "digital kids," according to the KCM manager—found too tough on arrival at the mine site.

At MCM, the end users in production decided which subcontractor got the contract, and they had moved away from cutthroat competitive subcontracting to a performance principle of awarding contracts. Yet, mining professionals at MCM were equally adamant critics of subcontracting a vast array of mining work. As at KCM's Nchanga mine site, at MCM's Nkana mine site, each of the three shafts engaged about twenty subcontractors to do charging and blasting, long hole drilling, diamond drilling, grouting, maintenance of rails, dislodging water, and so forth. And like the CEO of KCM, a board director at MCM who worked at ZCCM from 1975 to 2000 also recognized that subcontracting was less than ideal, even though it was a stopgap solution to a capital shortage:

> The ideal is to do everything ourselves. . . . Under ZCCM, there was little contracting. By the time of privatization, development was at our nose because there was no working capital to bring in equipment. So MCM brought in contractors who were capable of bringing capital and equipment. Fifty percent of development is being contracted out. But they are under our management. Production and processing are a hundred percent in house. The cost of direct labor is about twice as much as indirect labor. But a contractor is not efficient and a big headache.[31]

In addition to the aforementioned problem at KCM, coordination among contractors who sometimes shared equipment with each other and with MCM had led to constant conflicts, delay, and shedding of responsibility, all of which undermined efficiency. For instance, according to an underground manager:

> When a contractor has the machine to develop an end but needs a loader to lash, he goes to an MCM shift boss and asks for a loader. But the MCM guy also has his own end to lash. So contractors are usually given second priority. On top of that, if in the meantime the loader breaks down and needs servicing, the contractor will be even less efficient. You can punish him but in the end the company suffers because the output we are looking for does not materialize. . . . Safety statistics of the contractors count as ours. Their induction lasts at most one week, whereas our people are trained for months and years and know all the safety issues.[32]

Indeed, when I attended a 6:00 a.m. production meeting at one of the MCM Mindola shafts, there were a lot of heated arguments about which contractor should be responsible for the shortfall in production the day before. The underground mine manager who supervised these contractors spoke at length to me at the end of the meeting about other hidden problems with subcontractors' undertaking all but the actual loading and tramming of ore:

> The quality of a contractor's mine captain is suspect, because instead of employing someone with the qualification, they use a shift boss as mine captain and pay him as a shift boss but call him a mine captain. I asked them to bring their CVs and I interviewed them together with the contractor. Many people masquerade in their CVs, claiming to have hands-on experience they do not really have. We have problems with their supervision and safety awareness. Some time ago we had a fatality. The government investigator found very poor supervision by contractors. There's a lot of bribery in contractors' recruitment practices. Most people in production are of the view that we should go back to doing all things in house. There's a lot of advocating from production but it fell on deaf ears. Within house, it's easier for us to direct and control mining operation. With contractors, I give instructions to my mine captains, and they give instructions to the contractors' mine captains, who are not really the ones who pay them. So it [the instruction] gets diluted along the way. I think somebody needs to do a total evaluation on how much we actually save by subcontracting and whether it is worth it.[33]

The situation was different at NFCA. Until recently, it had engaged only one contractor to undertake underground mining, while it directly ran processing (the concentrator), transportation, and logistics (haulages, maintenance, and water supply). There were historical, organizational, and market supply reasons for this arrangement, but what was important for my comparative purpose here was that stable fulfillment of production targets, more than cost reduction, drove the Chinese model of subcontracting. When I described the extent of subcontracting in other mines to the Chinese production head at NFCA, he was shocked and snapped, "I cannot imagine how it is possible. Their managers must become nuts coordinating all these subcontractors. That's not how we do contracting in China. Here, we agree on an output and a price and don't intervene in their production. I regulate them on two aspects: I set the economic terms in the contracts, and then there are technical and safety standards I have to check on a daily basis."[34]

In 1998, when CNMC purchased Chambishi, it had just emerged from a reorganization of China's state-owned mining sector. Its historical specialization was in overseas engineering and construction and it had no experience in underground copper mining. A personal connection of its CEO brought the Chambishi project to the company's doorstep. But the company had to find a partner to undertake mining. It found a private company, JCHX, to form the mining department inside NFCA. JCHX's headquarters was in Beijing, but in Zambia they existed as a department. In 2010, they separated as an independent company registered in Zambia. JCHX had developed together with NFCA; NFCA supplied the equipment, and JCHX produced the tonnage of ore and maintain the equipment.[35] Now JCHX has become China's leading contract miner with an international profile, a Shanghai Stock Exchange–listed company, and it has signed a five-year development and engineering contract with KCM. Describing JCHX's relationship with NFCA, its director on site said it was like an "appendage" to the client, with a very low profit margin but also low risk. Being spared the problem of coordination and cutthroat price competition among contractors found in the other two mines, NFCA handled a sole subcontractor on which it placed all production pressure.

The aggregate result of these differences in exploration, development, and production subcontracting was, according to Zambian experts and officials, that NFCA had been the most steady and sustainable producer on the Copperbelt. Since the Zambian government, through the ZCCM Investments Holdings Corporation, remains a minority shareholder in all foreign-owned mines, it sends representatives to the boards of these mining companies. A technical manager at ZCCM-IH serving on these boards observed that "they [NFCA] have always met their production targets, unlike KCM and MCM, which missed their targets by 10–40 percent."[36] A leading Zambian mining expert, who coauthored the industrywide monitoring report commissioned by the government, concurred. When I asked him which of the major mines was the best in terms of mining practice, he named NFCA and Chibuluma, a smaller mine in Kalulushi owned by a small South African mining company. "They [NFCA] are working well but they are not a PR-driven company. The difference between KCM, MCM and those like them, and NFCA is that these others are very much obsessed with creating impression. NFCA does not do that. They work quietly. But because of that, people are suspicious and guessing about what they are up to."[37]

Yet, as we will see next, these mining professionals rarely factored the well-being of laborers into their definition of "sustainable mining." The "value" analyzed in their "mineral value chain monitoring report" glossed over the producers of value: the workers. Once we adjust our focus to look at workers and class conflicts, we will begin to see that Chinese state capital was not any friendlier to workers than global private capital. But, it offered a different kind of bargain and was more sensitive to popular pressure because of its politicized agenda.

Miners: Exploitation and Exclusion

The pervasiveness of subcontracting across the mines is glaringly illustrated by the composition of their respective workforces. In 2012, the majority of workers in all three mines were indirect employees, or those hired by subcontractors. The Mine Contractors and Allied Workers Union of Zambia (MCAWUZ), a new union registered in 2010 to represent contract workers, claimed that 80 percent of mining jobs were done by contractors' workers. There were basically three kinds of contractors who would come to the mines with different productive resources. At the top of the hierarchy were multinational and regional contract miners, mostly from South Africa or Peru, who bid for contracts advertised on the Internet. They were well capitalized to provide full service (machinery and manpower) to the mines to run open pits, tailing leach plants, and underground development. The second tier consisted of foreign and local contractors who had the financial capacity to bring in some equipment such as long-haul drills and boomers. At the bottom were the labor hires, contractors who provided only labor. For miners, the terms of service varied widely among these contractors, and all of them were inferior to direct employment by the mining companies.[38]

The high mobility of today's mine employment meant that many miners had accumulated comparative insights on how the various mines treated workers. While describing working conditions in similarly harsh and critical terms, miners noted a major difference between the Chinese and the other two foreign mines—NFCA and its contractor JCHX offered low-paying but stable employment, whereas other mines paid higher salaries but were more prone to retrenchment and casualization. When I met Victor Chilesite, who had worked for five employers in the previous eight years, he had just moved from the Peruvian contractor at MCM to JCHX at Chambishi and relished the modicum of security this new job brought him. At JCHX, he finally landed a permanent contract! A thirty-year-old widower with a five-year-old son, Victor explained the different labor bargains offered in the different mines:

> I started as a track layer with Ramsi [a South African contractor] at MCM Shaft 1, then with RMS [a South African contractor] as loader driver, then as a driller with AAC mining [a Zambian contractor], operating a jackhammer. From there I became a boomer with Sanvik mining [an equipment supplier], then with Reliant [a Peruvian contractor] as a loader driver and dump truck driver, and now the Chinese JCHX. Most were three months to one- or two-year contracts. These companies trained me but during training I was paid only the basic salary and housing allowance, but not other allowances [food, transportation, shift differentials, Sunday overtime, bonus, etc.]. Reliant is worse than JCHX, because there is no rest between seven days of day shift, then seven days of night shift. They give you targets and you have to stay [underground] until you finish, and then you have to wait a long time for the cage. For Sunday, there is no overtime pay. The Peruvians insult [you] in their language, saying some-

> thing like "*guta mierda*" "*kalacko*." I know it means "fuck you." The operation manager would ignore the supervisors and come to shout at people whenever he saw the machine was idle, waiting to be repaired. I know my rights, I am not going to work until the machine is repaired. . . . Shift boss always says you have to blast even if you see noncompliance. Every three meters there should be support before drilling, but you will find support only every ten meters, rather than three. He will make the mine captain sign to shift his responsibility. When MCM people come, they would say don't blast until support is done. But once they leave, Reliant people will ignore MCM people, especially in afternoon or night shifts when they don't walk around that much. . . . MCM keeps recycling the underground water and adds chemical to kill germs. When people pour water over the body to cool down, their skin will swell.
>
> The reason I moved from Reliant to JCHX is job security. Reliant only gives one-year contracts; at JCHX, after one year, then a three-year contract, and then they would offer me permanent. At JCHX, they give you three lists: first priority, second priority, and third priority lists. When I finish one I have to move on to the second, and then the third. I don't get orders from shift boss, and I can rest between P1 and P2. They don't pressurize us as much. But air is worse than in MCM, because they don't wait for dust and fumes to dissipate after blasting. It's a safety issue. There is no ventilation.[39]

The Chinese NFCA was the only mine where even its contractor's workers received permanent terms of employment, but many workers reminded me that this seeming security came at the high price of low wages. Pastor Phiri, who had been with NFCA since 2003, moving from boomer operator to PIC, remarked that "it's small money but there is no pruning, no redundancy. The only people who are fired are those who drink. They pay us on time." But with seven children, four of whom are still attending high school, his K2.5 million salary just is not enough. He goes to the *kaloba*, or loan sharks, to borrow money.[40]

Like in other mines, JCHX workers' conditions of service were inferior to those of the direct employees of the mines. As we will see, this purportedly cost-saving, divide-and-rule strategy by the mines generated serious disgruntlement and production problems underground. Derek Chanda compared NFCA with JCHX:

> NFCA gives higher salaries. At grade 6, my net income at JCHX is K2.75 million, compared to K2.95 million on the other side. NFCA sticks to knock-off time; at JCHX if I let my people knock off at the official time, I'd be booked [charged] for letting people go on time, and miners will be booked when they come out of the man cage, their cap lamp number will be noted and have their salary deducted. They think miners should only resurface after 1700 hours

> [i.e., 5:00 p.m.]. . . . There is more motivation among workers at NFCA than JCHX. Also, we get a maximum of K2 million in loans with Bayport, but NFCA workers can get bigger loans, up to K50 million, from several institutions. My friend is able to do something for the family, like start building a house, but I can't. With K2 million, I can only pay school fees. There is also more respect for workers there than here. If I missed my target for my shift, NFCA would write something for me to explain. At JCHX they would just shout at you in front of your juniors.[41]

Permanent employment for contract employees in the Chinese mine did not come about because of employers' largesse. It was the result of worker struggles—two strikes in 2011 that started with JCHX workers, but the effects of which inevitably spilled over to NFCA. As mentioned in the last section, JCHX came to Zambia as a contractor for NFCA, but until 2010 it led a shadowy existence as the mining department of NFCA. When JCHX registered as an independent company in 2010, the transition of workers on the payroll of the mining department to that of JCHX sparked bitter conflicts between workers and the two companies. The conflict first focused on severance payments and then turned to issues of equal treatment, permanent contracts for all, and equal pay rates for workers in the same grades across the two companies. Miners went on a weeklong strike in February 2011, smashing windows, looting the canteens, damaging security lighting, and even setting fire to the mine police post, paralyzing production. The minister of mines intervened and demanded that workers resume work and that the mine drop charges against workers who were arrested for the riot. When management did not honor their promises, another strike took place in November 2011, right after the Patriotic Front took power. The strike originated in JCHX and then spread to NFCA. Production was suspended for about three weeks. At this point, management yielded and agreed to a phased standardization of grades between the two companies and permanent contracts for all after an initial three-year contract.

Contract workers in other mines also tried resisting casualization, but unlike those at the Chinese mine, their solidarity was more easily broken by the large number of subcontractor-employers. When some two thousand workers pulled off a rare strike in May 2012 at KCM, laying down their tools to protest the discrepancy in pay between KCM's direct and indirect employees, the incident lasted barely half a shift. Workers were too fearful of losing their jobs. Pastor Mwale participated that day and explained his anger:

> As a crew boss of Gilgle Mining [a Zambian contractor], I get K1.5 million basic, that of KCM is K3 million. KCM employees have production bonus but

> we do not get anything. . . . [During the strike] J. J. [the CEO of KCM] came down to the emergency point near the shaft, threatening to dismiss anyone not reporting back to work immediately. He even said your president supported this policy against striking workers. He said go to your directors to discuss pay and bonuses. You are not KCM employees. Workers shouted that KCM did not care about worker suffering. "All you care is to take our money to India." Police were at the gate ready to arrest people. Cameras captured the faces of those on strike.[42]

To recapitulate, Chinese state capital's emphasis on stable production led to a stable subcontracting relationship with just one contractor, a more favorable condition for worker solidarity and effectiveness in pushing employers to offer permanent terms of employment than at the other two mines. As miners on the Copperbelt often complained throughout my fieldwork, however, the Chinese state mine was also the one that for more than a decade paid the lowest wages among the major mines. In every strike that Chambishi had witnessed since the Chinese came, low wages had been the touchstone of labor contention, whereas at KCM and MCM, the greatest threat to labor was retrenchment. Since its inception, NFCA's salary level for the general workforce had been about 30 percent lower than KCM's, the highest on the Copperbelt, and 18 percent lower than MCM's, the second highest. This low-wage regime was the empirical basis for the widespread criticism that the Chinese mine was particularly exploitative. Yet, lower pay was compensated for by relative employment security, something less frequently mentioned in public debates. As discussed in the previous chapter, NFCA had never engaged in mass retrenchment, the typical first response by global private companies when copper prices fell. More recently, in 2013, KCM twice threatened to retrench a total of 3,500 workers due to low copper prices and a purported "mechanization" plan. My argument is that neither Chinese state capital nor global private capital was particularly benign to labor, but they did present relatively different bargains: stable exploitation (secure employment but low wages) or flexible exclusion (precarious employment but higher wages). The roots of this difference lay partly in the respective interests of these two varieties of capital and partly in the historical circumstances the new investors had inherited from the previous Zambian state ownership period.

Take the case of NFCA. In 2003, when it restarted production in Chambishi after having been closed for thirteen years, NFCA had few legacy obligations. Only fifty or so care and maintenance workers were taken over by NFCA with pre-privatization conditions of service, that is, permanent status and union membership. The rest of the newly employed workforce was hired on fixed-term contracts at wage rates unencumbered by the previous employment re-

TABLE 2. Salaries and conditions of service: Comparison of three mines (2012)

	MCM	*KCM*	*NFCA*
Basic salary range (in kwacha) for unionized workers	K2,629–4,027	K3,055–4,537	K1,877–3,566
Housing allowance (% of basic salary)	30%	30%	39%
Paid maternity leave	90 days every 2 years	90 days every 2 years	120 days every 2 years
Access to free medical facility	Spouse and all registered children	Spouse and all registered children	Spouse and up to 3 registered children
Funeral grant (in kwacha)	K750	K1,000	K1,500
Severance package	2 months' pay per year of service	2 months' pay per year of service	1.5 months' pay per year of service
Shift differential rate	0.9% of monthly basic wage	0.9% of monthly basic wage	0.9% of monthly basic wage

Source. Collective agreements between the mines and the unions for the year 2012; collected and compiled by the author.

Note. MCM = Mopani Copper Mines; KCM = Konkola Copper Mines; NFCA = Non-Ferrous Metal China, Africa.

gime. The pressure to cut costs was particularly acute at this low-grade mine, which, as explained earlier, was acquired by the Chinese state company for a variety of political, economic, and access reasons. A low-wage regime also resulted from the Chinese management's initial resistance to collective bargaining and union recognition. NFCA managed to stall new unions' recruitment effort for the first few years of its operation. These practices gave NFCA a reputation as the worst employer on the Copperbelt. When I first talked to miners in 2007, my first year of fieldwork, they were adamantly critical of the Chinese wage rates and the predominantly casualized mode of employment. But after two serious strikes—one of which turned violent—NFCA agreed to a double-digit wage increase and a gradual transition to permanent employment for all workers.[43] Over the years, persistent pressure by the unions on NFCA to match the industry norm in terms of medical coverage for miners' dependents, classification of job grades, and basic salaries played a big role in bringing about gradual but consistent improvements. In most years, the rate of salary increment reached through collective bargaining is on par with other mines. Yet, due to its low base level at Chambishi, the Chinese mine had not caught up with MCM and KCM in terms of salary (see table 2).

At KCM and MCM, at the time of privatization, their parent companies acquired large functioning mines and were compelled to offer their existing workforce the same salary levels and conditions of service as those under state ownership. Without a thirteen-year closure like Chambishi's, unions and workers at KCM and MCM were better organized and made more forceful negotiators at the bargaining table. If wages were higher in these global private mines, the challenge to their workers was that these corporations had a tendency to downsize and exclude labor altogether. Unlike Chinese state investors, these private corporations were under constant pressure to show shareholders that they were responding to copper price fluctuation by cutting costs. As one industry expert explained, "The surest and most immediate way to bring production cost down is to cut labor." Retrenchment and its variant casualization of labor through subcontracting therefore became the crucible of labor–management conflicts at KCM and to a lesser extent MCM. KCM had stopped hiring any direct employees since the financial crisis in 2008. As contractors finished their terms, workers also left the mines, contributing to a form of indirect labor retrenchment. For unions and workers, retrenchment was a more difficult and elusive battle to fight, as it basically excluded workers from the realm of employment and representation. When KCM announced its retrenchment plans involving a total of 3,500 workers in 2013 and 2014, only the government had the power to block them.

Labor's Bargaining and Disruptive Power

For all its inclination to accommodate elite priorities with respect to labor interests, Chinese state capital was every bit as adversarial as global private capital, yielding to labor's demands only under extraordinary pressure. In addition to annual collective bargaining between unions and employers, organized labor's leverage included wildcat strikes initiated by workers and the unemployed in mining communities, and, most critically, state intervention. These factors occasionally came together in mining but not in construction, a nonstrategic sector in the eyes of the Zambian government and society.

Aside from the economic centrality of mining in the Zambian economy, miners' bargaining power was stronger than that of construction workers, thanks to unions' entrenched, albeit fragmented, institutional presence in this place-bound sector. Three miners' unions organized about 90 percent of the direct employees at the three mines. Zambian labor law secured unions' right to a seat at the collective bargaining table, but these sessions were largely dominated by management who, among other things, had a monopoly on company financial data. Unions did not have the research capacity or professional financial knowledge to challenge management statistics on cost structure, profits, losses, assets, liabilities, technical content of actuarial reports, and the like.

I attended four bargaining sessions in two mines (NFCA and KCM) in 2012, and they followed similar patterns in terms of procedures, rhetoric, and dynamics. At the heart of all negotiations was the percentage of basic salary increment, supplemented by a list of other conditions of service: severance payment, pension contribution, lunch allowance, leave passage, funeral leave, medical coverage for dependents, and so forth. Each negotiation meeting began with a prayer, followed by both sides presenting their proposals and rationales. The two major unions, Mineworkers Union of Zambia (MUZ) and the National Union of Miners and Allied Workers (NUMAW),[44] normally agreed to sit as one party and sent their national leadership teams, accompanied by the branch union officers. The unions picked one president to speak as chair of the labor side, facing the human resources manager representing the company, flanked by other HR employees and a few administrators from other departments. Only the two chairs spoke, unless they invited others on the team to make a point or explain certain items. Either side could ask for breaks so they could discuss among themselves. The stakes were high for both sides, but these meetings were remarkable for their civility: each side addressed the other as "Mr. President," and union chairs especially spoke with flourishes and passion.

But it was clear that rational discussion of economic facts worked to the advantage of management. In one meeting, mine management commended the unions on their appeal to reason rather than emotion: "We provide you with all this information so we can speak from the vantage point of reality. Gone are the days when unions banged on the negotiation table; now we have unions with the ability to analyze."[45] Typically, unions started with a proposed salary increase of 50–70 percent, citing reasons such as rising cost of living, rising copper prices, parity with the highest-paying mines (open-pit mines in the North-Western Province, the so-called new Copperbelt). On the other hand, management usually began by offering a single-digit increase (e.g., 5 percent), pointing out that the total sum of labor's demands (including other items in addition to salary) actually amounted to more than a 100 percent increase, which no company anywhere in the world could afford. A tit-for-tat kind of exchange would follow: management would swamp the meeting with massive statistics on production volume, cost of labor, company debts, depreciation of assets, and investment plans that it claimed "prevent the company from simply dividing up the profit to share with workers." In one meeting, for instance, the presentation of statistics itself took more than an hour. Management's strategy was to paint a bleak picture of the company, arguing that the company would go under if the unions' demands were met, and to suggest the need for long-term reinvestment in production, citing the cost of a new smelter or shaft. Labor, on its side, would challenge management's revenue numbers. "You did not include revenue from cobalt [a side product of copper mining and smelting], and toll treat of ores from other mines. We know this from our members in the frontline of production." Unions would also remind management that they had used the reinvestment argument in years past, and now it was time for labor to enjoy the benefits of that past investment. On more than one occasion, the union president shot back at management, "When copper prices are low, you say you cannot pay us more. When prices are high, you say you reinvest and cannot pay us more!" In the end, though, only management had exclusive data on corporate finance and production.

Deadlock in bargaining often occasioned wildcat strikes and work stoppages by disgruntled rank-and-file members, putting unions in an ambivalent position. While pressure generated by wildcat strikes was useful for unions, they nevertheless had little control over this grassroots agitation that had a penchant for violence and expressed anger directed at unionists themselves. All three mines experienced strikes every two years or so. Triggered by stalled negotiations, they usually began in the mines and were quickly joined and escalated by laid-off casual workers in the nearby compounds. The latter group wanted to take revenge at the mines and had nothing to lose and everything to gain from a strong show of force against the mines.

"Even the bartender or the street kids would like to see a bigger pay raise for the miners. When miners have more money, they spend more in the local community," recounted a miner who witnessed the 2012 strike at KCM. "But some of these were thugs who wanted to steal and vandalize company properties during the riot. They threw stones at workers whom they suspected were going back to work. They terrorized and assaulted union leaders, saying they had accepted bribes from the mines."[46] The slogans chanted (mostly in Bemba) during these strikes expressed similar demands: "No Increment, No Work," "If a miner is not there, everyone is not making it," "We are going to start the noise, and you will be surprised." At NFCA, the chant was always "Same Copper, Same Money," as workers pressed the company to meet the industry norms in salary.

Varying in duration from a few days to a few weeks, strikes tested the capacity and tolerance of both unions and management. The dynamics of these strikes, involving both miners and mining communities, will be the subject of chapter 5. Here, the point to note is that if these wildcat strikes managed to disrupt production, management would be keen to end the strike immediately by announcing a few more percentage points of increase in exchange for immediate resumption of production. They threatened, however, that those who failed to report back to work by a certain time would be instantly dismissed.

Workers normally complied for fear of losing their jobs. Unions would help persuade their members to return to work, as all of them knew that these wildcat strikes were technically "illegal"—that is, they were not preceded by third-party arbitration and a formal ballot cast by union members to approve the walkout. Employers not only had the law on their side, the ubiquitous presence of surveillance cameras allowed them to pick out the ring leaders, who would be sacked after the labor unrest subsided. The charge was "failure to report to work" or "instigating an illegal strike." Several company lawyers at the mines spoke to me with full confidence that, in their view, there was no way Zambian miners could legally organize a strike, given the many legal procedures they had to follow.

During strikes, a powerful but rare force that could tip the class balance in labor's favor was government intervention. In the fall of 2011, right after the Patriotic Front's electoral victory, workers in both sectors staged protests in major cities, demanding pay hikes of 100 percent as a response to Sata's campaign slogan of "more money in your pocket." The Ministry of Labor of the new administration showed strong support for miners' demands, sending officials to go around the mines, demanding that the mining companies give an increment of $400 across the board. Although management at the mines thought this intervention by officials to be out of bounds, the combined agitation by workers and pressure from the government did result in significant concessions by management in that year's collective bargaining. After workers pulled off a rare twenty-day strike, NFCA agreed to a 22 percent pay raise, the largest among the mines. The CEO of NFCA explained that "because it was a new government, we thought a higher increment would be a good gesture from us." Down the road, MCM workers also protested, and the minister of labor also visited when the collective bargaining stalled at a 12 percent salary increase proposed by management (against the unions' demand of 30 percent). The intervention of the government finally pushed management to raise it to 17 percent. Two years later, the government twice joined unions to condemn and then successfully block KCM's plan to retrench 2,000 and 1,529 workers, respectively. In the wake of a Vedanta video scandal (recounted in chapter 4), the government even mustered enough political will to launch a forensic audit at KCM, and announced its plan to expand it to all the mines.

Construction

The modicum of collective capacity that miners wielded occasionally was unavailable to construction workers. In terms of labor conditions, union strength, and government intervention, construction workers fared much worse than miners. Labor's collective power in this sector was too weak to force any concessions from either type of capital. Even when the Zambian government intervened in concessional loan projects bankrolled by Chinese state capital and undertaken by Chinese state contractors, Zambian workers found to their utter dismay that their own government's interests dovetailed with the Chinese to push for more discipline and efficiency.

LABOR CONDITIONS

Our site visits and interviews confirmed the popular impression of construction as a sector of low-wage casualized employment, whether Chinese state contractors or foreign private contractors. Ninety percent of our 200 interviewees worked without a written contract, mostly on a six-month or one-year assignment. Most of them worked six days a week, from 7:00 a.m. to 5:00 p.m., with a lunch break lasting between 60 and 120 minutes. Hourly wage rates hovered around the legal minimum defined by an industrywide collective agreement negotiated between the construction union and the association for contractors on a yearly basis. In 2010, when most of our interviews were conducted, a general worker's monthly take-home pay was about K400,000 to K500,000 (compared to the K1 million pay of the lowest-grade mine worker) on most work sites run by South Africans, Zambians, Indians, or Chinese. There were several private Chinese contractors who deviated from the industry norm, paying substandard wage rates and providing inadequate personal protective equipment to their employees. But we also found similar problems with private contractors of Zambian and Indian ownership.

Compared to the mines, construction workers also reported more everyday verbal and physical conflicts with management. Chinese sites did have more conflicts related to language. A common complaint by workers was, "We are abused verbally every day, especially when we don't understand their orders which they give in Chinese as most of them do not speak English."[47] But abusive managers were also found in other foreign contractors, as in this case at a Swaziland-based company:

> The contractor has prepared good accommodation for the people they have come with, while Zambian workers are living in poor makeshift houses. Some even sleep outside on the site. A Zambian supervisor is also treated differently compared to foreign supervisors. For example, in a company vehicle, a Zambian worker is expected to sit at the back, while a white foreign supervisor sits in front. Even the black workers who are brought in from Swaziland by the company are treated better than us. One white production manager made a derogatory comment which angered many people. He said, "I am working with

> animals." He was referring to Zambian workers. Because of this, he was chased from the site by the [tribal] chief.[48]

A bricklayer working for a South African contractor nearby relayed another incident of a foreign manager's offensive language:

> About eight months ago, we were all angered by the project manager. He said, "You Zambian workers don't deserve better salaries. I cannot even think of increasing your rates no matter how many times you protest. . . . You are sufferers and your situation will never change—you will be suffering like the Israelites suffered in the desert in biblical times. Even if you complain, it will not help! I only listen to God and my wife." . . . Expatriates also insult workers using words like *idiots* or *hooligans*. One of them spat on a Zambian worker for no reason.[49]

A carpenter from the same contractor saw an even more outrageous incident: a white supervisor deliberately drove a car into a black employee. The black worker was a store clerk and the white supervisor was unhappy because the store clerk did not let him get bags of cement without signing off for them. He was so upset that he started the car engine and drove into her. She was hurt and rushed to the hospital. She had not been seen since.[50]

Workers stealing building materials was common and usually resulted in dismissal, regardless of the origin of the company. This quotation is from a worker in a Zambian company, but others from foreign companies reported similar conditions: "If you are late, you are sent back home and they forfeit your pay for that day. If you miss work for three days, you are fired unless you bring a sick leave note. If you steal they fire you instantly. For instance, one person stole a packet of cement and the children of the caretaker saw and reported him. He was instantly dismissed. Others stole electricity cables, were caught, and were dismissed as well."[51] Unsafe working conditions were caused by inadequate provision of personal protective equipment, which itself caused tension between labor and management. On the one hand, workers pointed to gloves that lasted only for a few days, gum boots that were too flimsy to protect them from nails, and masks that turned black at the end of one shift. On the other hand, employers complained about workers selling their boots, uniforms, and safety gear instead of using them at work. Soon after the company distributed their personal protective equipment, managers would find them in retail stores in town, unmistakable because they bore the name of the company.

Notwithstanding their protests after the Patriotic Front's electoral victory in 2011, construction workers did not receive nearly as much government attention and intervention as miners. In the eyes of the Zambian government, construction was not as strategically important a sector as copper. Unlike the consistent push for value addition in copper, the government's policy in construction was "citizen empowerment." For all projects tendered by foreign contractors, they had to fulfill a 20 percent (of project value) local subcontracting requirement. Yet, the policy had been poorly enforced and easily short-circuited by the existence of "briefcase contractors" set up by Zambian nationals who signed on as nominal partners.

UNIONS

It is hard to imagine today, but construction unionism was once strong, when parastatal construction companies were the mainstay of the construction industry in Zambia. It famously provided the launch pad for the unionist-turned-president Frederick Chiluba. These days, foreign contractors, especially those from China and South Africa, dominate the industry, especially in large-scale civil engineering, roads, and buildings. Casualization is so rampant that workers with one-year contracts are called "permanent," as most workers are day laborers or casual workers with six-month contracts. Temporary and mobile, construction labor presents a serious challenge to unions. In just two of our twenty sampled worksites did workers report unionization. This largely reflects the situation in official government and union data, which showed that in 2008, when the last countrywide employment survey was undertaken, the construction industry employed about 80,255 people, 83 percent of whom held informal jobs, and union membership was 8,893, about 11 percent.[52] The secretary general of the National Union of Building, Engineering and General Workers (NUBEGW), explained that he faced two challenges in expanding his membership base: casualization and international companies bringing in skilled workers. Casual workers have no motivation to join, and foreign workers are temporary. Then there is competition among unions for members. NUBEGW has to compete with NUMAW, which recruits not just mining workers but also construction and civil engineering workers in the mines.

When I accompanied the union staff charged with organizing to visit construction sites, I saw how daunting her task was. A Chinese contractor was building a gas station near the town center in Kitwe. The site manager was a young Chinese man with a college degree in engineering. When the unionist showed him the list of workers who had signed to form a union and had their membership dues deducted, he simply pretended that he did not speak any English. After the engineer kept silent for a half hour, the union staff left in frustration. A few months later, the gas station was completed and the work crew disbanded.[53]

Even in cases where contractors allowed unions, some workers were distrustful of unionists' integrity and efficacy. According to a bricklayer at a unionized South African site:

> Many workers have lost confidence in the union and have decided to quit. The union officials have been here several times, but each time they were here they didn't attend to us workers. They just talk to the whites [management] and we don't know what they discuss. At one time when we asked them to negotiate for an increase, they came and had a meeting in the office with the project manager. But by the time they were coming out of the office, they had brand new boots. They are compromised because they receive gifts from management.[54]

STRIKE-PRONE WORK SITES

Construction workers' most effective leverage against employers was not a union but collective withdrawal of labor. Without exception, in all the sites we visited, workers reported brief work stoppages lasting at most one to two days when wage payment was delayed or deemed too low. The dominance of Chinese contractors in Zambia may have given people the impression that violation of labor rights happened more on Chinese than non-Chinese sites. As our survey covered Chinese, non-Chinese foreign, and Zambian companies, a different picture emerged. Strikes were prevalent regardless of the nationality or ownership category.

The following are two typical accounts of strikes, one in a Chinese state-run site and the other against a Zambian contractor. Their juxtaposition helps to underscore the similar causes and dynamics of labor conflict. A worker at the 15 MCC, a subsidiary of CNMC and the contractor for many infrastructural projects in the Chambishi multifacility zone, offered this account, which was corroborated by four other workers we interviewed individually on the same day:

> We had a strike last year because we were fighting for a salary increase. One morning after work, we resolved not to work. Then after two days, a memo was stuck at the company gate, directing all workers to go to the personnel manager's office to exculpate ourselves. When I went there, I found the [Zambian] HR manager with two Chinese managers. The HR manager asked me why I stopped work and I told him it was because of poor pay. Apparently they asked the same question to over five hundred workers. After interviewing us all [it took about a week], a list was stuck up at the notice board, stating which workers had been retained. A good number of our friends lost their jobs but luckily I was retained. We got our increase only three months later.[55]

Workers of a large Zambian contractor in Chingola also resorted to striking whenever wage payment was delayed and when they "feel they [had] waited enough." Even though the bosses in this company were Zambians, workers complained about abusive management, denial of contract, and low and late wage payment, resorting to violence when they became desperate:

> I joined this company in 2008. People always complain about low wages on this site and management always promises to look into that. We had also protested over contracts because management had not given us contract forms for us to sign. The workers who organized this protest have been sacked. I can confirm that we have experienced several work stoppages on this site. At one time there was a riot here over payments. What happened was that payments were delayed by more than two weeks. After the riot, management launched investigations to find out who the leaders were and many workers were sacked. From the time I came to this site, I have seen three work stoppages. On all the occasions, the problem was the same: late payment. There was a bitter exchange of words between the workers and management. The situation turned violent and the police were called to the site. There was a lot of noise as workers were chanting slogans. Once, workers became very angry and locked the gate at the entrance of the site. The architects [two consultants from Afrospace] were locked up by the workers. The paramilitary came to the site and interrogated us. We explained that we wanted our money and nothing else.[56]

CONCESSIONAL LOAN PROJECTS: NDOLA STADIUM AND LUSAKA 400

Did concessional loan projects offer better working conditions because they were "government-to-government" projects? Based on two such projects in our sample, the answer seemed to be no. They were worse than or as bad as the private foreign ones because the Zambian government had a direct interest in disciplining workers in concessional loan projects.

This was most apparent in the case of the construction of the Levy Mwanawasa Stadium in Ndola. A prestige project dear to the late President Mwanawasa, a Ndola native, the sleek, open, dome-shaped stadium with a seating capacity of forty thousand was built with a $65 million concessional loan from China, and the construction was undertaken by Anhui Foreign Economic Construction Group, employing 1,200 Zambians and 400 Chinese at its height. Right from the beginning, the Zambian government exhorted workers to "work hard." At the groundbreaking ceremony in 2009, "President Banda said that he does not want to hear that Zambian workers have gone on strike because they feel they are being over worked, but they should be willing to work for long hours as that was the working culture of the Chinese, which he said has helped them to develop their country."[57] Similarly, the permanent secretary of the Copperbelt also urged Zambian workers "to emulate the Chinese hardworking culture" and warned them "against the habit of absconding from work or pretend[ing] to be sick after being paid."[58] When I visited the site toward the end of the project, workers assailed the Zambian government for keeping wages and benefits low and banning unionization. One worker told us: "The unions were banned, not by the Chinese, but by the government. They said no unions or pressure groups would be allowed on this site to ensure that work progressed smoothly. They wanted the project to be completed on time, and didn't want anything that would potentially frustrate the progress of the project."[59] When workers expressed their grievances about contract renewal, wage rates, and benefits, government officials would intervene and made promises that were never fulfilled. Throughout the two-year construction period, four strikes took place during which workers realized their opponent was their own government rather than the Chinese state contractor. The following account by a twenty-seven-year-old bricklayer who worked on the site from the very beginning was corroborated by other workers we talked to on site when the stadium was almost ready to host its first soccer match.

> I have been working on this site since May 14, 2009. I joined the company just when the project had started. We had several conflicts which led to at least four work stoppages. When they [the contractors] came, they had very attractive conditions for their workers. And the proposed payments were very good. According to the conditions of service, a general worker's rate was pegged at K3,000 per hour, and for those with a trade [certificate], the rate was K5,000 per hour. But our Zambian labor office advised the contractor to scale down the rates as they felt that the rates were too high. They proposed K1,400 per hour, which was the legal minimum. But the Chinese decided to give an extra K100. Therefore, the rate was now K1,500 per hour. That's when we decided to protest. That was only a month from the time the project started. We demanded an explanation from the government about the discrepancy.
>
> The strike was violent. The Chinese tried to calm the workers but they were stoned, and they fled the site. It took a full day. We didn't work that day. The riot police were called in to quell the violence. They used tear gas to control the unruly workers and managed to restore order on the site. The PS [permanent secretary] of the Copperbelt, the Ministry of Works and Supply, followed by the labor office, all came to speak to us the following day. That was how the situation was resolved.
>
> Workers of all categories were united to fight for a common cause. We spoke the same language. It's difficult to identify a ring leader because many workers were afraid to openly organize a boycott. What happens is once you

become influential amongst the workers, the Chinese will get rid of you. The government has instructed them to do that. Sometimes a small group of workers try to organize a meeting, but once the information leaks, the Chinese will inform the government and dismiss the workers involved. The supervisors spy on workers and take the names of suspected orchestrators of work stoppages to management. Once the ring leaders are dismissed, it becomes a huge setback on the part of other workers. It often takes some time before another person or group would emerge and try to organize a protest.

Among the people who lead work protests are bricklayers, steel fixers, and carpenters. Most of these have been to vocational schools and are quite enlightened. In addition, they know their jobs very well because they are skilled workers and can evaluate how much their labor is worth. The same skilled workers organize meetings to discuss any problems the workers may be facing, and the way forward. Usually, we meet during lunchtime and agree on the day for a strike.

The second work stoppage occurred nearly one year later. It occurred when the construction of the canopy was in its final stages. We wanted management to clarify what our benefits were and who was supposed to pay us. The Chinese site manager said, "Talk to your government." They insisted they didn't know anything about the issue of benefits. . . . That day, the workers made a lot of noise, shouting and chanting slogans. The workers also threatened anyone who tried to work that day. The police came again to ensure that motorists were able to use the Ndola–Kitwe dual carriageway without problems. Earlier in the day, the road was blocked by angry workers. The police were on site from morning up to around 6:00 p.m. Some workers were well prepared to fight back with catapults. The catapults were used to shoot at those workers who were willing to go through the gate to work. You know, people were frustrated because we worked like we were animals. Some workers were dismissed over simple problems. Again, the people from the Ministry of Works and Supply came with the PS [permanent secretary] and asked us to develop a sense of ownership of the stadium. He appealed to the workers to rescind their stance and ensure that progress was made. He also promised that the government was going to pay all the workers their benefits at the end of the project. The workers accepted to call off the strike the following day. But now, since the project is coming to an end, many workers have been let go without benefits. There were once more than 1,200 of us on this site, but now less than 200 workers remain.

After the completion of the canopy, we had another work stoppage. We had realized that the Chinese started leaving and only a few had remained. This became a source of concern. We knew that, once the Chinese left, it would be difficult to get our benefits, so we stopped working. We didn't work for a full day—almost all the strikes we've had lasted one day. The other thing was that the Chinese had promised to write references for all the workers as the project

> was nearing completion. But we became worried when they started leaving without giving us any references.
>
> Three months ago, we had a similar conflict. We demanded that the company write references. We also complained about dismissals. Workers were being dismissed almost daily because not so much work remained. And just before that protest, a large number of employees were laid off and there was insecurity among the remaining workers. The people from the labor office came on site and asked us to remain calm. They also informed us that they would prepare the references and not the contractor. But that wasn't received well by the workers because we had never heard of such a thing before. It's not the business of the labor office to prepare references, but that of the employer. We called off the strike after we were assured by both the government representative and the labor office that our concerns were being looked into, and that before the project is finally completed, the problem would be solved. We are disappointed that up to now nothing positive has come out despite the project coming to an end in a few weeks.[60]

As a prestige project for both Zambia and China, the Ndola stadium may be an extreme example of the collusion between the government and the Chinese contractor, united by their interest in suppressing labor demands. In a more recent concessional loan project, the Lusaka 400 urban road, now on the Patriotic Front's watch, the situation for workers was not as bad as that in Ndola, even though workers still had to stage a work stoppage before basic labor rights, such as obtaining a written contract, were implemented. In 2014, when workers demanded higher wages and laid down their tools, there was no government intervention or pressure on workers to resume work. The Chinese contractor, the central SOE Aviation Industry Corporation of China, was relatively new to Zambia and its management was quite eager to establish a decent reputation in this new market where they planned on expanding in the future. A twenty-nine-year-old general worker recalled, "About three months ago, drivers and general workers wanted a wage increment and formal contracts so they would know the length of their employment on this site. Workers first talked about it among themselves and decided not to work the following day after they reported to work. That drew the attention of the supervisors. When management heard workers' complaint, they promised to increase their wages by K2,000 per day and brought papers for them to sign."[61]

Overall, many of the 250 construction workers we interviewed assailed the lack of Zambian government regulatory oversight in the same breath as they criticized employers' exploitation and greediness. Fearful of losing their jobs, hampered by the casual and mobile nature of construction projects, construction workers had not been able to win many concessions from employers—

state or private, foreign or local—on either concessional loan or commercial projects.

Conclusion

Against the grain of many international media and human rights reports that have often summarily accused Chinese state investors of practices that were actually shared by global private ones, this chapter reestablishes the comparative historical contexts for the prevalence of despotism and casualization prevalent across the two types of capital and two industries. Zambian labor has been disempowered over the past five decades, first by its own postindependence one-party state and later by neoliberal reforms imposed by global financial institutions and Western donors, all *before* the current investors arrived in the late 1990s. However, driven by different imperatives, the two types of capital pursued different strategies in mining and dealing with miners even though they operate under the same political apparatus of production. Due to its interest in securing copper for its use value and not just its exchange value, Chinese state capital organized a production regime that put a premium on stable and long-term physical production of ore. This contrasted with the more speculative, financial, and trade orientation of global private capital, whose primary interest was in selling copper for a profit. The difference in their underlying logic of accumulation led to different pivots in labor conflicts in the respective mines, presenting workers with distinct trade-offs (exploitation vs. exclusion). Still, miners fare better than construction workers due to inherent sectoral differences in the organization of work, the relative strength of unionism, and the government's differential strategic emphasis.

Just as the politicized imperatives of Chinese state capital made it more sensitive and accommodating to local elite strategies, as I argued in chapter 2, here I show that the varying strengths of organized labor across the two sectors resulted in different degree of concessions by Chinese state investors. In both cases, local politics and struggles (strikes and government intervention) mattered. Chinese state capital was more sensitive to fluctuation in politics than to fluctuation in prices. Yet, it must also be emphasized that Chinese state capital did not present an alternative to systemic capitalistic subordination and exploitation of labor. It only offered a different bargain in the strategic mining sector. In the nonstrategic and highly informalized construction sector, marked by weak labor capacity and lack of Zambian government support for its own workers, Chinese state capital was as exploitative of labor as the rest.

4

Managerial Ethos: Collective Asceticism versus Individual Careerism

The corporate image of both Chinese state capital and global private capital in Zambia has been a subject of popular criticism and outrage. Interestingly, though, the flash points (labor exploitation and financial fraud) in their image war are reflective of their peculiar interests and practices, discussed in previous chapters. On the one hand, Chinese work culture is assailed as overly productive and inhumane and has fueled the rumor that Chinese employees in Africa are prison labor sent by the Chinese state. Popular discourse and consciousness do not distinguish between state and private Chinese investors, who were all lumped together as "Chinese companies." Serious industrial incidents, such as the 2005 explosion and the 2011 killing of Chinese managers at the privately owned Collum coal mine, have seared the image of exploitative Chinese investors into the national consciousness. On the other hand, the reputation of global private investors like KCM and MCM has been marred by reports of financial fraud, tax evasion, and cunning commercial deals. Public outrage simmered in the wake of a leaked 2010 report by an international auditing firm, which found that MCM had engaged in extensive transfer pricing with Glencore, its parent company. Even more indignation and resentment in Zambia were provoked when a video clip went viral on the Internet in the spring of 2014, featuring Anil Agarwal, the majority owner of Vedanta, KCM's parent company, bragging about making an easy profit of $500 million each year since his purchase of KCM from the Zambian government for a mere $25 million, even as KCM had declared losses every year since its inception. The intense public anger against KCM has inspired politicians and pundits alike to float the idea of "repossessing" (i.e., nationalizing) KCM.

For all the emotions and debates these corporate images have triggered in the public, they are not as important for understanding the distinct nature of the two varieties of capital as the managerial ethos inside the respective companies. Capital does not simply "flow" into Zambia without friction or agents. Rather, capital of all varieties depends on expatriates on the ground, and their ways of life offer unique windows onto capital's peculiarity and capacity. Comparing the ethos of management in Chinese state mines and construction sites with that of expatriate managers working for global private capital, the former is distinguished by what Chinese themselves called "eating bitterness." As a way of life infused partly with an individual's moral compulsion and partly with corporate control imperatives, the Chinese ethos echoes Max Weber's memorable depiction of an "inner-worldly asceticism": "the ability of mental concentration, as well as the absolutely essential feeling of obligation to one's job . . . most often combined with a strict economy which calculates the possibility of high earnings, and a cool self-control and frugality which enormously increase performance."[1] The difference is that the Chinese ethos is collective rather than individualistic, patrolled from a distance by the Chinese state and the Chinese Communist Party. Whereas Weber postulated Calvinism as the religious source of this capitalist ethos, I found that state-sponsored nationalism rather than religion encourages and reinforces the collective ethos of eating bitterness. In contrast, the managerial ethos in global private companies is much more individualistic, careerist, and entrepreneurial, with a clearer boundary between corporate and personal domains. Even though eating bitterness is not limited to Chinese state-invested companies, as a regime of control inscribed into the institutional design of a residential compound, it found its fullest expression in central SOEs in mining, largely because of the strategic nature of this sector. In provincial state companies and privately owned companies in construction, I found collective asceticism but without the same degree of organizational discipline and mandate at the mines.

This chapter depicts salient organizational and cultural manifestations of this Chinese managerial ethos first in the mines and then on construction sites, using the lives of non-Chinese expatriates in global private companies as contrasts. The argument is that Chinese state capital had at its disposal a more controlled, collective, and disciplined agent, compared to the more individualistic and careerist management of global private capital. However, I also show that managerial ethos was not a totem edged in stone; like the logic of accumulation and regimes of production, it is embedded and contested, reacting and adjusting to pressures from within the company and the local social and political pressures. In the final section, I discuss how exposure to other ways of life changed the expectations of some Chinese managers and how Chinese managers and Zambians learned to accommodate each other's work habits. Beyond relations of class control and conflict, managers and workers were also human beings trying to understand and reflect on their cultural differences, even as they strived to advance their respective interests and power.

Eating Bitterness: Drawing Moral and National Boundaries

Who were the Chinese managers, the foot soldiers of Chinese state capital in Africa? Many Chinese senior and middle managers working in Zambia came from impoverished backgrounds in interior provinces (e.g., Shanxi, Jiangxi, Anhui, Henan, and Yunnan). Mining is not the most glamorous industrial sector in the Chinese economy, but for the secondary elites among China's rapidly growing middle class in the hinterland, technical careers in the mines still brought a degree of security, especially in the state-owned sector. There were roughly two generations of expatriates. The senior managers were mostly men in their forties and fifties who have spent most of their careers moving up the ranks in state-owned mining companies. The young generation consisted of college graduates with degrees in engineering or mining who speak better English but have no experience working in SOEs. Women accounted for about 5 percent of the Chinese employees, mostly working as interpreters, in human resources, and in accounting. Just as casualization had afflicted Zambian miners' lives since privatization, two decades of SOE reform in China had smashed the iron rice bowls of Chinese expatriates. Of the seventy or so Chinese employees at NFCA, only eleven were direct "permanent" employees of the parent company CNMC and were given Beijing resident status. The rest were either on five- or six-year contracts as seconded workers drawn from other subsidiaries of CNMC, or on two-year contracts recruited by the Beijing headquarters from "society," meaning outside the CNMC Group. To Zambians they were expatriate managers, but in the Chinese social structure, they confronted employment conditions resembling those of migrant workers struggling in Chinese cities. No wonder some of them half-jokingly described themselves as "higher-class migrant workers."

As poverty was visible everywhere in Zambia, everyday conversations among the Chinese were often peppered with memories of abject poverty in China, and how it was overcome with the unique Chinese capacity to "eat bitterness." During my first days at NFCA, in our first meetings, Chinese managers would inevitably allude to their experiences with poverty when we discussed a wide array of topics, from their personal backgrounds to subcontracting. The first time I talked to Mr. Cheng, the HR manager,[2] I asked him how he came to work for NFCA. His answer was a heartfelt rumination about eating bitterness: he grew up in a remote, poor village in Shanxi, and his family was so poor that when he attended a boarding primary school, he could not afford the hot porridge served at school. In the summer, the bread he brought from home would turn green by the end of the week, but he still ate it because he could not afford anything else. When he found that he had been admitted to Kunming Polytechnic in 1984, his father advised him to buy "a jacket with zippers and some good underwear." To him, these things were luxuries reserved for important occasions such as college admission. Even when I met him, and he was earning a monthly income of $5,000, his frugality was visible. He hung his beat-up white-turned-greyish wash towel on his office wall, and he used it to freshen up every day at the end of his siesta after lunch.

A week later, on our way to the annual collective bargaining meeting, as we drove on a bumpy and potholed road, Mr. Cheng lamented, "Zambia will never develop because of the laziness of the people, their inability to eat bitterness." During a break in the negotiation, angered by the double-digit pay raise demands of the union representatives, he lectured his HR staff about the Chinese merit of frugality: "If you work hard, you will get what you want. This is what we Chinese believe in. In our five thousand years of history, we never wanted to beg for money or borrow. We'd rather tighten our belt than shamelessly ask others for money. We are so different from our Zambian workers. They cannot earn but want to consume. They are lazy but want an increase every year."[3] Like many Chinese managers, Mr. Cheng deployed the narrative of "overcoming poverty by eating bitterness" to draw a moral boundary between them and Zambian workers, and as a summation of their experience of economic development at both the personal and national levels. To them, the willingness to work hard, defer gratification, and save methodically was the reason for their own and China's material progress. Failure to do so by the Zambians was to them a trait of cultural and moral inferiority that also explained Zambians' and Zambia's underdevelopment.

For instance, at the Chambishi smelter, Zhang Bo, a midlevel human resources manager, talked to me extensively about Zambian workers' indolence. Zhang was in her early thirties, and had been sent to CCS three years earlier by the parent company in Yunnan, another subsidiary of CNMC. A double-major graduate in English and engineering from Yunnan University who had worked in the environmental safety department at the Yunnan smelter, she was about to return to Yunnan for good to get married. At lunch she told us delightedly that she had managed to schedule her marriage registration on October 1, 2009, the sixtieth anniversary of the People's Republic of China. During a five-hour road trip from Lusaka to Kitwe, we killed time by talking about her work experience in China and Zambia. The logic of her "Zambian indolence" and "Chinese eating bitterness" narratives was quite typical of Chinese expatriates I encountered on the Copperbelt:

> Zambians are lazy and unmotivated to break out of poverty. They don't strive to do anything, to improve their lives like us Chinese. Back home in the fields of Yunnan, the edges in the field are only one foot wide, because farmers want to maximize the area of planting. Even in such narrow walkways, they still want to squeeze in some crops: nuts or peas of some kind. . . . Zambians don't take initiative, and you have to give them the most detailed step-by-step instruction for the simplest tasks because they are incapable of thinking. . . . It's in their blood and mind, you cannot change it. Maybe the country is too rich [in natural resources]: they can pick a mango from the tree and that's their meal. They seem to be so easily satisfied and content, even though they are very poor.[4]

But then as we went on to talk about her experience working at CCS, she described not only how hard she worked but also how this culture of work depended on organizational design. She had firsthand experience in her state-owned work unit back in China that Chinese workers under that system were laid back, too.

> At the beginning, there was nothing but bush. CCS was still under construction, and we worked and lived in very basic conditions. We worked from 7:00 a.m. every morning until lunch, got an hour's sleep, and then worked until dinner, and worked more until we were tired, unplugged our notebook, took it with us to our bedroom and slept. It's only a two-minute walk from "the office" to my bed. The amount of work I did here every year is easily three times what I did back home. Even though we get twice the salary by coming here, I still feel we are underpaid because the amount of work is three times more. . . . [W]hat a contrast with my old *danwei* [work unit]! It was really laid back and light work at the Yunnan copper smelter. Especially because I was in the safety department. Usually there is no big incident, and we just went around occasionally to inspect our subsidiaries, do some environmental education. I could make tea and read newspapers all morning, go to lunch and then go shopping until 3:30 p.m., do one hour of work, and get off at 4:30 p.m. to go home. My boss was very permissive, and he never complained. I got bored at work sometimes.

A deputy CEO at NFCA likewise observed that Chinese workers during the planned economy period were indolent and unmotivated, and it was market reform that had incentivized everyone to work hard. Connecting the personal and the national experience of development, he attributed China's economic success today to a system that released and capitalized on the culture of eating bitterness among ordinary Chinese. His frustration with the Zambian workforce in the mines was their rejection of the principle of "efficiency wage." "Zambian workers do not want to work more even if we give them higher wages for more production. In China, reform meant giving more money to those who work harder and produce more. Here, from day one, we wanted to peg wages to productivity, but the unions fought us tooth and nail to reject it, and the government said the efficiency wage system was illegal. You tell me, how can this country ever develop?"[5]

Even though Indian, South African, and Peruvian expatriates in other mines also contrasted their hard-working culture with Zambian "indolence," "tribalism," "lack of leadership and initiative," and a "lack of drive, lack of self confidence, lack of commitment," there was normally little trace of the moralistic and nationalistic subtext characteristics of the Chinese. When other expatriate managers complained about workers being lazy and inefficient, they also used their home country as the yardstick—Indians for KCM, Peruvians and South Africans for MCM. But they did not generally claim diligence as a national character trait as the Chinese did. An Indian smelter engineer with thirty-five years' work experience in Zambia attributed diligence among Indians to their childhood experience in a populous and poor country, not to their Indian-ness: "I still remember growing up in my home village, I fought every day with many other kids to get on an overloaded cow-drawn cart to go to school. If you do not get out of bed earlier than others, you would not be able to get on the cart. If you are not strong and competitive enough, you would fall off the cart. We learn at an early age that, to survive, you have to compete and work hard."[6]

Discourse about African indolence was not only an integral part of the colonial encounter; it had been used in the postindependence era by the Zambian political elite, from Kaunda to Chiluba, to exhort citizens to contribute to national development. Robert Bates documented how, under the slogans of "discipline" and "productivity," the Zambian state had called on workers to work hard, be disciplined and obedient to supervisors at work, and limit workers' share of corporate revenues in order to protect the share of the government (via taxation).[7] Burawoy marshaled data on rates of absenteeism and strikes to refute these claims of indolence, arguing that in the late 1960s and early 1970s, Zambian workers actually worked harder than many of their counterparts elsewhere in the world.[8] Zambian workers today did not contest that absenteeism and lack of commitment to work were indeed problems among some workers. But to them, the cause resided not in Zambian culture or national character but rather in the precarious nature of their jobs. A unionist at NFCA explained, "For the Chinese who have no families here or other things to do, they are here only to work. The sooner they finish their project, they get to go home. For Zambians, as soon as they finish their work, they think they will be out of work. The other reason is Zambians are not paid well. With minimum income, you are not taking good care of your family. You have to worry every day whether there is food on the table for your kids and wife, so you clock off early, or you take leave to look after them, or take on extra jobs. It's not that Zambians are lazy by nature."[9]

"China House": Collective Rhythm of Everyday Life

The collective ethos of eating bitterness found its institutional expression in the "China House," the generic name given by locals to the residential compound where Chinese employees of a particular Chinese company lived together. NFCA, its affiliated companies, and its subcontractor company all ran their own China Houses on rental or purchased properties. Construction companies likewise either rented or bought local residences to provide dormitory-style housing for their employees in the head offices. Construction site managers and employees lived in temporary housing on site. Like most local residences, the China House was fenced and gated, with security guards and dogs on duty around the clock. A typical dormitory room was unadorned, compact but with an en suite bathroom, and equipped with a small refrigerator, a desk, one or two beds with mosquito nets, and a television set that seemed to be universally and eternally tuned to CCTV channel 4 (the worldwide Chinese cable channel broadcast from Beijing). In most Chinese companies, shared occupancy among two or three people was the norm.

The rhythm of everyday life inside the China House resembled that of a total institution. A collective timetable built into the organizational design of the China House coordinated the activities of anywhere between fifty and one hundred people; this was rare among other expatriate communities. Typically, a canteen with an industrial-style kitchen run by a team of Zambian workers under a chef from China provided three meals a day at nominal cost to the employees. With striking uniformity across many Chinese companies, breakfast was served at 6:00 a.m., lunch at noon, and dinner at 6:00 p.m. People waited in line to get their food with their personal enamel bowls and chopsticks, which they washed after each meal and placed back in a large cabinet with built-in slots and nametags of the employees. After breakfast, a company bus took the employees to the mine, smelter, or office and would bus them back to the China House after work. At NFCA, food was transported by a van from the kitchen in the China House in Kitwe to the canteen in Chambishi. After lunch, the Chinese would nap in their offices and usually resumed work an hour later, fully recharged. This was an oddity that bemused Zambians, who were not used to such collective bodily discipline.

Except for senior managers who had personal vehicles allocated by the company, the company buses were the only means of transportation for Chinese expatriates, and they were used not just for work but also for weekend supermarket trips. On Saturday mornings, the company bus would take employees to and from the local Shoprite. On many remote construction sites, there were no official days off for Chinese employees. NFCA was the only

Chinese company that had a two-day weekend; its smelter and its subcontractor operated a six-day work week for Chinese employees, leaving Sunday the only rest day for staff to catch up on sleep, do laundry, and talk to family and friends via the Internet. There were usually basic recreational facilities—a basketball court and facilities for table tennis and badminton. Joggers ran in circles inside the compound, as they did not feel safe running on the streets outside. Some companies had formal curfew at 8:00 p.m., and most had an informal rule that employees should notify their superiors if they planned on staying out beyond that time.

The one aspect of Chinese work life that drew the most suspicion and lent credence to the rumor of convict labor was the absence of family life. Only an insignificant minority of Chinese expatriates brought their spouses and children to Zambia, whereas most Indian, South African, and Peruvian expatriates came with their families. People wondered why and how the Chinese could endure like machines the prolonged absence of emotional support and intimate company of spouses. Until recently, most Chinese companies had an active policy against bringing spouses to stay long-term in Zambia. When the negative impacts on emotional stability and work performance became obvious, companies either relaxed the restriction to allow senior managers to bring their spouses or provided subsidies to encourage short-term parental or spousal visits. To the Chinese themselves, eating bitterness demanded sacrifices, and separation from loved ones was just one of them. They cited the competitive job market and education system in China as the reasons preventing them from uprooting the entire family. The main compensation for these sacrifices was their salary, which was on average two to three times more than what they could earn in China. To Africans and non-Chinese expatriates, the disconnection from family represented yet another example of the Chinese way of extreme asceticism, with a curious taint of inhumanity.

Chinese expatriates found consolation in the improvement in telecommunication technology, which made a significant difference to their connection with families. Veterans in the mines recalled the pricey cell phone calls they made every Saturday afternoon in the early years of NFCA. It was costly enough that the company had to provide a monthly telephone subsidy for each employee. These days, with the Internet, it is much easier for expatriates to maintain constant contact with their families back home. A couple in NFCA checked in with their toddler in China via Skype every day after lunch. They left her in the care of her grandparent soon after she was born. Most employees could send and receive text messages from friends and families at home anytime, making their absence from home more bearable.

People did not openly complain about what outsiders would consider extreme confinement. They had come to accept it as a necessary price to pay to stay safe in Africa, and saw in it only a more extreme version of *danwei* (socialist work unit) life in China. They relished the convenience and the time and money saved by this company-managed system of collective consumption. In some China Houses, the company continued the tradition of distributing (i.e., rationing) fruits, juices, milk, shampoo, and toothpaste. The Communist Party had an inconspicuous presence in state-owned companies in Zambia, with party cell meetings for members to learn about major policy documents and directions from the party leadership in China. Party discipline was also enforced by periodic but regular visits from Beijing. For instance, in the summer of 2013, the Communist Party secretary of CNMC led a delegation to implement the campaign on "frugality and mass line" proposed by the new Chinese leadership under Xi Jinping. Senior managers were interviewed one by one and middle managers in small groups. In these meetings, they were expected to talk about how their work style dovetailed with the current party line. When I ran into a senior mine manager just as he was coming out of his "interview," he explained to me what he told the party. "I reflected on this idea of 'relying on the masses' and I realized it is applicable to production. It means we should communicate more with our workers and motivate them to initiate suggestions to solve problems in production. Actually these slogans can be useful. The party just wants us to be mindful."

Among the younger generation of expatriates, the loss of freedom and loneliness was more deeply felt. Describing the morning commute to work as "going from a small prison to a large prison," a female auditing clerk in her thirties told me how much she missed her toddler and her husband in China. A young graduate technician working in the chemical laboratory of the smelter told me she cried a lot when she could not handle the claustrophobic, monotonous and "meaningless" work-only life in Zambia. "Life after work is still work," she said, deploring the total lack of contact with the outside world. A common refuge from the erasure of personal life took the form of "illegal" cooking inside the dormitory, to which companies usually turned a blind eye. With an electric rice cooker and an electric stove, cooking their own food on weekends was a popular pastime and a rare opportunity to savor some personal space, style, and taste in an otherwise controlled environment. Senior management knew it was only humane to allow their employees a modicum of freedom and a break from month after month and, for many, year after year of mess hall food. Spices and dry goods brought from China and cooked according to hometown recipes, no matter how simple, brought disproportionate comfort. Making dumplings from scratch, for instance, was a treat Chinese offered friends who would visit on Sundays, even though it was logistically laborious and messy without a real kitchen.

Other Expatriates

The frugal, monastic, and reclusive Chinese lifestyle stood apart from that of other expatriates. Until 2009, Indian expatriates working for KCM in Chingola looked for rental homes on their own. But when the company found the rental market too unregulated to provide protection and stability for their employees, it built a residential compound—Nchanga Flats, nicknamed the "Bombay Village" by the locals. Housing about seventy-two families (sixty-two Indian, and ten Zambian), these flats were three-bedroom units with full kitchens and living rooms. Unlike the Chinese, most Indians brought their families. Expatriate wives could not work locally due to their visa status, but they formed a "ladies' club," chaired by the wife of the CEO, to do charity work for local communities. Children went to local schools and found playmates among their neighbors in the compound. These Indian women had to give up their professional careers, as teachers and nurses for instance, so that the family could remain together despite the loss of income. With the hired help of a Zambian maid, each family prepared their own meals. They purchased their own private cars and went in and out of the compound according to their individual and family schedules. Once their children reached the critical secondary-school stage, the whole family would move back to India or to another country where they would find high-quality education.

One afternoon, I visited the home of Nadia, an Indian expatriate wife, in the compound. Her six-year-old son was playing in the living room after school. This child was born in India and came to Zambia with his parents when he was one-and-a-half years old. The entire conversation revolved around his education. "Most wives supplement the Zambian school curriculum by home schooling, teaching them more advanced mathematics and English, so that they can reintegrate into Indian secondary schools or into international schools elsewhere. His education is the most important factor in our family's decision to move around." When I explained to her that Chinese expatriates leave their wives and children behind when they come to Zambia, because they are keen on keeping the wives' income in order to improve the life chances of the next generation, she was horrified. "If you really care about your family, you will not leave them behind. A few of the men here have their wives stay in India with their children, but it's unusual."[10]

When Nadia's son got bored, he went to find children in the neighboring units to bike with, and the mother of a nine-year-old girl came to join our conversation. Like Nadia, this woman had also given up her previous job as a teacher. "I am used to shifting with my husband's job posting every several years. My daughter started her education in Bombay and she was good in classical dancing and painting. But here, there is nothing like these for her. We have decided that next year, when my husband's contract is up for renewal, if he gets posted to a country good for her education, we will move. If not, he will ask Vedanta to bring him back to India and we will all move back to India, because of her education."[11]

During the two months I stayed with these Indian expatriates, the compound was usually quiet, with individual families carrying on their daily routines on their own schedule. Rather than taking a company bus, I walked to the mine or asked people randomly to give me a ride. On weekend afternoons, a group of men played cricket in the yard while young children in small groups biked or played games. I stayed at the singles' quarters, which consisted of several low-rise buildings. The one-bedroom unit came with a kitchenette, a bathroom, and a small living room. A canteen, patronized mostly by expatriates who were young, single, or on short assignment, was conveniently located nearby, serving curry dishes three times a day, with a communal TV beaming Indian movies around the clock.

Strikingly different from the collective ethos of NFCA, KCM had a more discernably hierarchical living arrangement for its senior staff—its CEO lived in a palatial mansion surrounded by several acres of lush gardens next to the manicured grounds of the Nchanga Golf Club where there were reserved parking slots for senior KCM personnel. Other senior staff rented single-family homes in Chingola.

At MCM, I found an even more diverse pool of expatriates who hailed from South Africa, Britain, the United States, and Peru. They had to find their own accommodations in different parts of Kitwe. There was no collective or company housing. The need to maintain their individual family lives (hiring Zambian maids at home or knowing Zambian teachers through their children's school) compelled them to interact more with local Zambians than the Chinese did, whose personal lives were organized collectively by the company. Scattered in different residential neighborhoods in town, expatriate managers at KCM and MCM were also more involved in local communities through their religious affiliations. A Peruvian senior manager at MCM who had worked in Zambia for ten years described the various ways Peruvian expatriates engaged Zambians: "The [Peruvian] wives who came with their husbands volunteer for orphanages. Just last week, they held a *braai* [Afrikaans for "barbeque"] and donated the proceeds to help local kids. I sit on the board of a Catholic congregation that runs classes for girls, teaching them sewing, French, computer skills. Some younger Peruvian guys even meet their local girlfriends there."[12]

Finally, expatriates from global private firms tended to harbor more individualistic and entrepreneurial ambitions in Zambia than Chinese managers. For one thing, their career aspirations were global: when they were approached by mining multinationals, they could consider jumping ship, something I did not find among senior Chinese expatriates—at least, not yet. A forty-something Peruvian manager at MCM was bemused by KCM's interest in him as a candidate for a senior post. He declined after learning that the production department played second fiddle to finance. But he was open to other international or local opportunities, ruminating, "KCM has tried recruiting me in 2008, and Glencore has enticed me to go to Congo with an irresistible salary [smiling]. I could retire after several years with that salary. But because of my family, and because I like it here in Zambia, I declined the relocation."[13] Having obtained his Zambian resident status, he talked to me with excitement his plan to invest in a $120,000, four-bedroom home on a large lot in Kitwe.

African Rumor and Chinese Ideology

Despite its resemblance to the Protestant ethic that Weber considered the quintessential spirit of capitalism, Chinese collective asceticism was considered an oddity, an unnatural ethos. Since the late 2000s, a global rumor circulating in Africa and beyond asserted that Chinese employees in Africa were convict laborers sent by the Chinese government. Appearing in think-tank writings, foreign government reports and officials' statements, commentaries on popular websites in Africa and elsewhere, and even election campaign speeches of African politicians, this rumor has gone viral on the Internet and in popular perception despite Chinese government denial and the absence of evidence. Yan and Sautman traced the rumor to both its elite and grassroots origins. On the elite side, it began with a former U.S. deputy assistant secretary of state for human rights in a *New York Times* report in 1991, accusing China of using convict labor in Benin. Then it was picked up by a report in the British *Daily Mail* in 2008, and later in an Indian scholar's article, and then transmitted through the print media and Internet. Rumors of Chinese convicts soon appeared in at least half of Africa's states, in South Asia, Central Asia, the Caribbean, and the Middle East. These reports and articles found resonance among ordinary Africans, who, without direct knowledge of the Chinese, could find putative characteristics of prisons from common sightings of Chinese workers in construction sites. "A rigorous work pace, discipline and collective living style among Chinese employees cause people to imagine they are prisoners. . . . Many Chinese share rooms and do their own housework. Local people often cannot imagine foreign professionals living that way."[14]

FIGURE 1. Esprit de corps: Chinese state mine and managers at Chambishi (photo by Sven Torfinn)

FIGURE 2. Entering West Ore Body in Chambishi copper mine (photo by Sven Torfinn)

FIGURE 3. Chinese mining engineers one kilometer underground (photo by Sven Torfinn)

FIGURE 4. Managing the concentrator of Chambishi (photo by Sven Torfinn)

FIGURE 5. Copper woman: Extracting copper concentrates (photo by Sven Torfinn)

FIGURE 6. Crushing ore (photo by Sven Torfinn)

FIGURE 7. Lunch line at the mine: CEO and employees eating together (photo by Sven Torfinn)

FIGURE 8. Zambian miners lining up for the man cage (photo by Sven Torfinn)

FIGURE 9. After hours in the China House (photo by Sven Torfinn)

FIGURE 10. A young miner's home in the township. The window and electricity are luxuries. (Photo by Sven Torfinn.)

FIGURE 11. A retired miner at home in Chambishi. He purchased his house at a subsidized price when the government privatized the mines. (Photo by Sven Torfinn.)

FIGURE 12. Township bar, Zambia compound, Chambishi (photo by Sven Torfinn)

FIGURE 13. Dinnertime on a Chinese-run construction site in Southern Province (photo by China Geo)

FIGURE 14. Chinese foreman and Zambian workers on a Chinese-run construction site in Southern Province (photo by China Geo)

FIGURE 15. Site manager of a road project on the Copperbelt (photo by China Geo)

FIGURE 16. “Stadium diplomacy”: A Chinese concessional loan project in Ndola (photo by Justin Hui)

FIGURE 17. Heroes National Stadium in Lusaka, built with a Chinese concessional loan (photo by Justin Hui)

FIGURE 18. Concessional loan project in Lusaka (photo by Justin Hui)

FIGURE 19. Zambia–China Cooperation Zone on the Copperbelt, China's first special economic zone in Africa (photo by Justin Hui)

FIGURE 20. Populist charisma: Michael Sata's rally in Kitwe, Copperbelt Province, 2010 (photo by the author)

In Zambia, politicians and civil society activists alike invoked this rumor to criticize the incumbent government. Michael Sata's populist campaigns had leveraged this rumor to make the claim that "Zambia has become a labor camp. Most of the Chinese are prisoners of conscience."[15] A prominent critic of the Zambian government, the Roman Catholic priest Frank Bwalya made a similar charge that "Zambia has become a foreign prison for China. Prisoners from China are being brought to work in Zambia. The government should provide jobs for Zambians."[16]

In the face of this and other similarly negative publicity (e.g., a condemnatory report published by Human Rights Watch in 2012), the Chinese managers helplessly retreated in silence, seeing such cultural assault as confirmation of China's victimization by the West, an interpretation of history long nurtured by the Chinese government. Commonly articulated under the rubric "a century of humiliation," the official memory of China's relations with the West emphasized the latter's deliberate plundering of Chinese wealth, territory, sovereignty, and national pride as a center of civilization in world history, since the Opium War in the mid-nineteenth century. This narrative, trumpeted first as the founding mythology of the Chinese Communist Party, maintained that Mao and his party's victory over the Japanese and the Nationalists ushered in a New China that stood up as an independent country after incessant wars and humiliation lasting more than a century. More recently, during the reform era, and especially after the 1989 Tiananmen debacle, the party leveraged and systematically institutionalized this historical account of "a century of humiliation" into official media rhetoric, textbooks, patriotic education campaigns, museums, and official commemorations of historic events, in a bid to graft it onto Chinese nationalism as its main legitimating ideology.[17] Chinese official and popular subscription to this victim narrative was on prominent—at times even violent—display, particularly in diplomatic clashes with Japan and the United States (e.g., Diaoyu/Senkaku territorial disputes, Japanese history textbook controversy, and the NATO bombing of the Chinese embassy in Belgrade).[18] Scholars of Chinese nationalism have noted that ordinary Chinese, rather than being passive recipients of a state-imposed ideology, shared a deep sense of injustice at the hands of foreign powers, and nationalistic protests in recent years were as much mass-initiated as state-sponsored.[19]

In Zambia, although I did not see any deliberate policy or campaign to promote the narrative of China's victimization by the West, senior Chinese managers, Chinese officials at the embassy, and many expatriates seemed to have internalized it and used it to understand why Africans and the Western media targeted their work in Africa. I heard it on our company bus to the mines, and in casual conversation with Chinese businessmen who reported hearing it in gatherings at the Chinese embassy. But it was put to me most pointedly by the party secretary of the Chinese smelter in Chambishi. Knowing that I was a U.S.-based sociologist interested in Chinese state investment in Zambia, he assumed that I shared a similar critical perspective on Chinese labor practices, and began lecturing me about persistent victimization of China by the West:

> China has missed out on all previous historical opportunities to develop as quickly as the West since the Qing Dynasty, when the West had their chance to go get resources from the rest of the world. . . . Then we had socialism, and the planned economy which built a good base for today's economic growth. Look at India. I see a headache. So poor, so little education, bad roads. . . . China is better because of state investment during the planned economy era. But the copper in China is of low quality [1% at most], so we need to go overseas. The media in the West then speaks of exploitation. . . . Because our mine [Chambishi] had been abandoned for a long time, we had to invest more than others, and we cannot pay wages as high as MCM and KCM. But they call this exploitation—a terrible word.[20]

Yet, it would be a gross mischaracterization to say that Chinese managers in Zambia were motivated by nationalism and that their practice of collective asceticism reflected a collective political project. In fact, their main motivation was economic. The higher salaries they earned in Zambia allowed them to save for purchasing a home in China, to support a college-bound child to go abroad, to maximize income as mandatory retirement (at sixty) approaches, or to escape a blocked career in the SOE where they had worked for a long time. For the top officials who were permanent employees of the CNMC, at least two admitted to me that they were enticed to come to Zambia by the parent company's offer of a Beijing *hukou* (household registration), which they wanted for their offspring's future. During my fieldwork, there was an announcement in the mine about one deputy CEO being considered for *hukou* transfer to Beijing, and the company asked for comments or objections from his colleagues. Elsewhere, when the first CEO of the Chinese smelter held a motivational meeting for his employees, his emphasis was entirely economic and personal rather than collective and political. A smelter employee recalled vividly:

> Our chief at CCS is a really brilliant young guy, only forty years old. When he first came, he was already the vice president of Yunnan Copper, a company with assets of six hundred billion yuan. For me, one of the most memorable things at CCS was how he instructed us to overcome the initial difficulties working here. Many of us found the conditions and life here too harsh, and there was instability in our morale. He called us together one day and said, "You young people should think about only two things: money and the future [which in Mandarin have the same pronunciation]. And then we pay well, and with the experience

> you accumulate here, your career will go even further." He appealed to our personal interest only. After that, we all were moved and staff morale improved.[21]

Underlying Chinese expatriates' reclusiveness was a palpable sense of insecurity and fear.[22] "The outside is chaotic and unsafe" was a refrain I heard a lot while staying in the China House in Kitwe. Many remembered that in the days when Sata was campaigning for president in 2008, the Patriotic Front crowds would roam around town from their usual gathering spot in the Freedom Park, raising their fists in the air and shouting, "Chinese Go!" Chinese expatriates still recalled seeing the slogans through the windows of the company bus when they returned to the China House in Kitwe from Chambishi. On some weekends, when a few of us managed to convince one of the Zambian drivers to take us to the newly opened mall an hour's drive away in Ndola, my colleagues were both excited and concerned. They would make sure that I carried my passport and permit with me, because "the local police intentionally target us Chinese." Some of them had the unpleasant experience of being pulled over and fined on the spot for not carrying their work permits. The fine they paid of course went directly to the policeman's pocket. Even when making a short trip to the company-run Sino-Zam Friendship Hospital or to the local market on Sunday, female colleagues always asked male colleagues to escort them. News of occasional burglaries or murders that befell Chinese nationals in Zambia reinforced this perception of anti-Chinese sentiments.

Another ubiquitous source of anxiety and suspicion was the frequency of thefts, which were interpreted as racially motivated. At the Chambishi Copper Smelter, coordinated thefts by security officers, Zambian workers, and local residents had happened several times. The director at the smelter complained angrily about this when I went there with a Zambian senior bureaucrat conducting his quarterly inspection of the enterprises inside the Chambishi MFEZ. The director was beside himself when he recounted the latest "hostile incident":

> It's so unfair that our [Zambian] newspapers made big stories that Chinese are killing Zambian workers. . . . Last year, teenagers thirteen or fourteen years old from the nearby squatters came to steal. They came again to attack our expensive machines. Our security guard fired and killed one of them, but he himself was arrested. So now people just watch the thieves steal and do nothing. These squatters were not here before we came; but after we arrived, they claimed this place as theirs, saying they don't want foreigners on their ancestral lands. They started farming and complained that we caused pollution. We were forced to compensate them so the media won't blow up their accusations. Farming cannot sustain them, and they steal. Local politicians support them because they want their votes.[23]

Suspicion of theft was widespread and generated a lot of everyday distrust between Chinese managers and Zambian workers. When I traveled with a CCS human resources staff member from Lusaka to Kitwe, we stopped for lunch and the driver went off for his own break. When he did not show up at the end of our lunch break, my CCS friend murmured, “I hope he is not somewhere emptying the tank and selling our gasoline to some illegal companies.” The driver eventually returned to pick us up more than a half hour later, and the first thing he did was to pull up to a gas station to fill up the tank. My friend became even more suspicious. When he asked for K300,000 for gas, she immediately checked the tank gauge and exploded in disbelief, asking, “How come we need that much? It’s too much. Just get K200,000.” She turned to me and said in Mandarin: “I cannot trust him. . . . Theft is very common at CCS. In the warehouse department, workers usually gang up with security guards or the transportation department. At night, they can easily send in trucks to ship away copper cathodes or concentrates. Therefore, CCS has to hire two security companies, so they can check on each other. Sort of check and balance; you cannot just have one company.”[24]

In sum, among expatriates in Zambia, only the Chinese became the subject of a continentwide rumor that they were convict labor sent by the Chinese state. And only the Chinese state, among other origins of foreign investors, offered a counternarrative of China’s continuous victimization by the West. For the Chinese managers bearing the brunt of popular criticisms about China’s going out as a nation, subscribing to this state-sanctioned subaltern episteme and embracing the ethos of eating bitterness as the essence of being Chinese brought cultural empowerment and solace in a hostile and foreign world. The cultural boundaries drawn by this ethos had the effect of obfuscating the exploitative relationship between the Chinese state company and themselves as employees, and between Chinese management and Zambian labor. This reality on the ground contrasts sharply with the popular image of Chinese colonial domination circulating in the media. Rather than the Chinese propagating any hegemonic discourses or universalizing mission that have historically accompanied and armored colonialism, they had been put on the defensive in the cultural politics surrounding Chinese investment in Africa. Chinese state managers’ collective experience in Zambia was not one of power and domination but insecurity, vulnerability, and anxiety. Even though they were mainly motivated by personal economic interests, being agents of Chinese state interests subjected them to added pressure and discipline enforced from afar. As we shall see in the next section, such corporate control and collective discipline were more relaxed in the construction sector, due to the latter’s lesser strategic importance and the physical remoteness and mobile nature of construction sites. There was also more variation in terms of the degree of social seclusion, even as I found the same eating bitterness moral and nationalistic discourse, the same inner compulsion to save and work hard, and the ubiquitous collective living arrangement.

Collective Asceticism on Construction Sites

Even before I had a chance to visit any construction site run by Chinese state or private investors, the director of the Zambian National Council for Construction, Dr. Sylvester Mashamba, offered his comparative observations on why the Chinese were so competitive and successful in winning Zambian contracts. It had everything to do with their work ethic:

> If you go to any of the Chinese sites, you will see they have this communal spirit. For instance, they all sit and eat together. Managers and engineers are all together. When you go to other Zambian, South African, or British sites, they will have posh offices and accommodations in town, air conditioning, satellite, four-by-four vehicles for all the top people and site managers. The Chinese will only have a truck; everyone goes in that truck. When you go to Chinese sites, they sleep on site, get up at 6:00 a.m., but they do not knock off at 6:00 p.m. like everyone else. They work through the night. Long hours, and their site managers also live there. You go to Chinese sites, it is hard to find out who is the site manager because he dresses and eats the same as everyone else. He will not wear a suit like the Brits and South Africans. The only difference will be that he has an office. . . . It's also a commitment issue. I went to site inspection several times and once we went to a student hostel construction site after sixteen hours when most Zambians have knocked off but the Chinese workers still continued plastering or the like. I cannot tell if they were forced or told to work after hours. South African and British companies knock off according to official hours, but the Chinese set their own time standards, just like when they first came here to build the Tazara. They finished, what, four years ahead of time? I was just a student then but there were all these documentaries on television showing how they worked through the night. They just work all the time. [How do you or other Zambians explain why the Chinese work so hard?] Something I have never found out, but I think [it] may be their patriotism?[25]

Compared to the China Houses in Kitwe and Lusaka, the seclusion and asceticism of Chinese expatriates in the construction sector were exacerbated by the remoteness of most construction sites. After all, they were building roads and schools where none existed. In my visits to twenty sites around the country, South African expatriates reported living in apartments in town, complete with maid service and four-wheel-drive personal vehicles, whereas most Chinese employees lived in spartan, makeshift housing sometimes converted from cargo containers, cooked their own meals, and even raised chickens and goats for food. Their salaries were usually not paid in full (or at all, in some cases) until the projects were completed and they returned to China at the end of the typical two-year contract. In the name of security, convenience, and forced saving, Chinese construction companies had a common practice of depositing salaries into employees' bank accounts in China rather than in Zambia. The result was that Chinese employees had little local currency to spend. The remoteness of many construction sites simply reinforced the proclivity to minimize local interactions.

Just as in the mines, Chinese managers' collective frugality amounted to significant savings at the corporate level. But the construction sector allowed for more precise computation of how much that savings added up to. Based on a comparison of the cost structures in bid documents submitted by Chinese and non-Chinese contractors, Zambian officials revealed that on average, Chinese site managers cost 20–30 percent less than other expatriate managers due to their inferior living and employment conditions. As contractors submitted documents according to a standard rubric, government procurement officials could point to each contractor's estimated cost of their managerial staff, under the item "preliminary and general expenses," or P&G. The procurement specialists at the Zambian Public Procurement Authority, which oversaw the tendering process of high-value government-funded projects of more than K50 million, observed several cost advantages enjoyed by Chinese companies. Making jokes about Chinese companies paying Chinese general workers peanuts because they were "prison labor," these officials pointed to the lower unit cost of materials (e.g., importing machinery to make bricks rather than buying) and especially Chinese companies' P&G. P&G items consisted of overhead expenditures of senior staff—accommodations, transportation, salary, subsistence, temporary offices, and security.[26] This assessment was by and large corroborated by a senior manager at Jiangxi International, a provincial Chinese state company with the longest history in Zambia. He estimated that the frugal managerial lifestyle of the Chinese managers translated into only a 10 percent difference in Chinese bid price, and the rest of the price difference was due to cheaper equipment imported from China. He concurred that the managerial practice of eating bitterness contributed to corporate profits and competitiveness.[27] In the following section, I use ethnographic depictions and personal narratives to convey what eating bitterness meant as quotidian lived experience on construction sites. There were strong parallels in tropes, practices, and worldviews among Chinese managers working in construction to those found in the mining sector, even as the level of corporate control and discipline was much reduced, and most of the Chinese construction site managers' employment was more casualized than that of mining managers.

On the Sesheki–Selanga Road: Three Chinese Contractors, Shared Ethos

In August 2011, I traveled to the Southern Province with my research partner from the National Council of Construction and two University of Zambia student researchers. Our destination was the two-hundred-kilometer-long Sesheki–Selanga road, under construction by three separate Chinese contractors. The Zambian government, then under MMD's Rupiah Banda, awarded a segment of the project to each of them: Jiangxi International (ninety kilometers), China Geo-Engineering Corporation International (sixty-six kilometers), and China New Era (eighty-five kilometers). With the general election around the corner (in late September), the government wanted to show off its commitment to improving local livelihoods, and construction of the road was in high gear when we arrived. Awarding the project to three separate contractors was a way of spreading risk and hastening the pace of construction. Jiangxi International (JXI) was a provincial state-owned company; the other two were subsidiaries of the same central SOE holding company, China New Era Holdings (Group) Company. The backgrounds, motivation, and living conditions of the managers in these three companies could not have been more similar. Compared to their counterparts in the mines, the time-sensitive nature of construction projects and the remoteness of construction sites compelled greater endurance of hardship by managerial labor.

Almost all of these site engineers and managers were fixed-term (one- or two-year) contract employees of their respective state companies. Their jobs were as insecure as those of the Zambian workers they supervised. On all these sites, managers emphasized the principle of "generating efficiency from management," to compensate for what they considered poor labor discipline and low labor productivity. A typical workday began at 6:30 or 7:00 a.m. until lunch at 11:30 a.m., and continued from 1:00 p.m. to 6:00 p.m. There was no official day off, but their default rest day was the day after the Zambian workers' payday. "They [Zambian workers] don't customarily come to work after getting their salary. So we also take a day off that day," the site manager at JXI said with a wry grin. Only the most senior staff on site had single-occupancy rooms; the rest shared a unit with one or two other employees. At China New Era, eighty Chinese employees shared sixteen passenger vehicles, with no designated personal vehicles. At China Geo, fifty Chinese shared eight passenger vehicles, and at JXI, there were four vehicles for forty Chinese. But earning more than twice as much as they would in China, these men understood that their Zambia posting came with extra demands and hardship. And they were aware that their South African counterparts enjoyed better terms of service. Over lunch at JXI, the site manager sighed:

> South African engineers live in town and they work eight hours a day, never any overtime. Chinese can eat bitterness. Our efficiency all comes from managers' overtime labor. We all came to make money. Here efficiency is life. When I interviewed [in China] for this job, the labor dispatch company reminded me not to mention any lofty political goals such as China's four modernizations, socialism, or national construction. They instructed me to just say, "I come here for the money, not politics," otherwise the employer will not hire you.[28]

At China Geo, the site manager concurred that money was the main motivation of Chinese expatriates. "I earn about $4,000 a month inclusive of basic, overtime, and bonus. Young college graduates can get about $2,000, whereas in China, they could only earn $1,000. Our leaders in the headquarters in China encouraged us to think of nothing else except making money when we are here."[29]

The economic pressure prompting Chinese employees to work in Africa for higher salaries did not just stem from the general cost of living in China for everyday consumer goods. Many mentioned specifically the cost of housing, education, and medical care, or what sociologists would term the cost for the social reproduction of labor. In a group discussion with three managers at China New Era, one of them said:

> It is not easy to survive in China as the middle class. Medical care, schooling, and housing, all are so expensive. . . . There is a lot of competition among Chinese firms here because all of them want to bid as many projects as possible. The client, usually the Zambian government, is not always on time in paying us. Companies have to bid more projects, even with little or no profit, so that no machinery, tools, or manpower stand idle, and to compensate for the erratic cash flow. We are paid our salary when we take our annual holiday to go home or at the end of the year. Some companies only pay salaries at the end of the second or third year when the project is over, so as to maintain flexibility in capital flow. We find this acceptable because when our families back home need money, we can apply for "advance payment" from the company. They will deduct that from our pay.[30]

One particular kind of hardship many in remote construction sites mentioned was racial harassment by local police. "The police in Zambia are very corrupt. They know very well how to find small violations, such as a broken tail light. But our materials can't wait. Cement, bricks, parts, too many things are needed urgently every day. They target Chinese, holding our vehicles for several hours or a day, delaying our work on site, to extort money. Once we had a caravan of four vehicles; the first three went past the police post without any question. As soon as the police saw yellow-skinned people in the fourth, he stopped and found excuses to demand fees. Many Chinese contractors have had the same experience. Now, our strategy is to minimize the number of trips; whatever we need, we'd rather ask for delivery."[31]

1. MIGRANT MANAGER AT A PROVINCIAL SOE CONTRACTOR

Hu Xin worked as an engineer and assistant site manager at Jiangxi International. He was born in a township near Nanchang, a second-tier Chinese city, and graduated from Nanchang University in 2008 with a degree in civil engineering. Having worked for one year in his professor's consulting company, and after his girlfriend of eight years left him for a wealthy real-estate businessman, he joined JXI to obtain overseas work experience. During his one month of training for this foreign posting, the company emphasized esprit de corps, loyalty to company, and the prevalence of HIV/AIDS. He remembered distinctly the injunction "not to fight with Zambian workers to avoid transmission of AIDS through bleeding and injuries."[32]

On his work site building the first seventy kilometers of the two-hundred-kilometer-long Sesheki–Selanga road, there were five university graduates. Hu had signed a five-year contract with JXI, and his package included the employer's contribution to all the legally required types of insurance, a stipend for housing, and one month of home leave every year. In 2012, his salary was about RMB12,000 a month, plus a bonus, which could add up to RMB300,000 a year, compared to about RMB5,000 a month at home. What made him think favorably of his pay was that his college mates were making half of what he made. But there was one drawback: in Zambia, everyone's salary was paid only every six months, wired to their bank accounts in China. For less important positions such as foremen and those without educational qualifications, the company used "outside hires" (dispatched workers without a formal employment relationship with JXI), giving them one month's home leave every two years. Foremen earned about RMB2,000–3,000 a month in Jiangxi, China, but up to RMB8,000 in Zambia. He offered his comparative assessment of labor and development in China and Zambia, and the motivation of Chinese employees and the hardships they had to endure:

> In China, gang bosses [subcontractors] on construction sites are very fierce and thuggish. There is no guarantee they pay you for your work. They would yell at you, "You don't want to do the job, get out of here. There are many who want to work." You see, the reason why China can develop so quickly is because we have sacrificed the well-being of an entire generation of migrant workers. Here in Zambia, in major festivals, we even

> give Zambian workers bonuses. This won't happen in China with those gang bosses. It's all savage exploitation in China. Here, Chinese foremen and electricians belong to the managerial stratum; in China, they are only manual laborers. This difference in identity and status makes them very proud. In China, their work is very unstable. You work for two months and who knows what's next. Here, we have a lot of work. In China, construction workers have no medical insurance; here, we go to Friendship Hospital and just sign off for free medicine and treatment. They can save up money for children's education. Everything we need is all paid for by the company, including a monthly K100,000 telephone card! When we need to hurry up to meet deadlines, like now, we disburse $250 bonuses as an incentive. But these Chinese men's psychology is distorted and sexually depressed by the separation from their families. That's why you can see some mix-blood children with Chinese facial features. One of our foremen had left a mixed-race kid with Chinese skin color and eyes but African hair. Very strange. Another foreman looked after him once in a while.

When I asked if he thought the company should pay employees a monthly rather than biannual salary, he surprised me by explaining why he accepted this form of exploitation, drawing a connection between past poverty and personal and national development through acceptance of exploitation:

> There is a practical consideration. The bank charges a fee of 0.5 percent for every US$3,500 wired. It's a heavy burden for the company.The entire industry is like that. There are private companies that pay at the end of four years. This is of course exploitation. I think China is now the same as the United States and Europe in the past, exploiting workers' youth, blood, and sweat. But we are still at an early stage of development. Migrant workers are all exploited by capitalists. Communism in the past did not work, so we now have to change. My mother was a food processing worker and she experienced the days of coupons. When I was young, eating meat was an exciting and happy event. Not that our institutions are all perfect, but our standard of living is undeniably much higher than before. Now I am motivated by monetary incentives, by seeing rich people. Human beings need incentives to work hard. Inequality in China disappoints and frustrates some people, but inequality also excites and motivates other people. I think I belong to the latter group. Some of my school mates at home are only earning RMB3,000 a month, and I see I earn more than they.
>
> I know South African engineers must have air conditioners, hot water heaters, Internet cards, television, and nice accommodations. For us, some senior people have single rooms; the rest have to share. It's already an improvement over the past when we worked on small road projects.

For those small projects, you cannot build your own dormitories. Otherwise, there will be no profits. We just rented a house in the local area and put four people into a room. You get up from bed and you will hit your head against the bunk beds. Chinese can really eat a lot of bitterness. This may be related to China's history of eating bitterness, being invaded and humiliated by foreign powers. We are really adaptive. . . . On payday and the following day every month, we all rest, and we send a bus to take our Zambian workers to town to buy oil and other daily necessities. Unlike the British, who used military force, we are so nice to them, but they still steal from us. If anything happens between Chinese and Zambians, people always blame it on the Chinese.

Profit in Zambia is 20–30 percent higher than in China because of higher project prices. The construction market in China is very unregulated and chaotic. Local gangsters asked for fees because we work on their turf. There is illegal subcontracting: they win a tender and then transfer it to another subcontractor in return for a management fee. There are too many vested interest groups fighting each other. Competitors will come sabotage your site or ruin your cement. But these Chinese gang bosses won't come to the Zambian market because they don't speak English [laughs].

By law, 20 percent of our project price has to engage Zambian subcontractors. But once these local guys get advance payment from us, they go traveling or buying cars, not to work. Many of these contractors are relatives of the Road Development Agency, just like in China, it's about *guanxi* [social relations]. We can only subcontract very easy jobs like laying pipes. Actually only 3 percent, not 20 percent, of the project work can be accomplished by Zambians. They don't have machinery and skills.

We have frequent strikes. The last one just happened one week ago. Once we discovered the organizers, we fired them. They were usually machine operators. But strikes do not last. The next day, workers will say, "Boss, I want to work."

It's like the United States going to China to take advantage of cheap labor; we come here to take advantage of cheap labor. There is no national difference; it's the logic of the market economy. It's surplus value that creates capitalists' profits. . . . In China, it is migrant workers who can tolerate hardship and bitterness. And we are just more educated, upper-class migrant workers. I grew up poor, happy with a bottle of Coke. Now, I can drink a thirty-yuan beer, so I am very content. One day, I will become my own boss. . . . Our Zimbabwe office has a high turnover rate among engineers, why? Because once they develop enough local networks, they set up their own companies.

2. MIGRANT ENTREPRENEURS: EATING BITTERNESS AS PRIVATE CONTRACTORS

Hu Xin's entrepreneurial dream in Africa was based on many living examples of private contractors from China. They usually had a previous professional life in Chinese SOEs, which sent them to Zambia to build foreign aid projects. They had since stayed to open their own businesses. Li Ming, the owner of a private Chinese construction company (grade 2 in the NCC registration system), had a typical profile and history among Chinese investors in this sector in Zambia. The Li family had immigrated to Zambia some twenty years ago. Their daughter went to school in Lusaka and studied veterinary science at Washington State University in the United States. Mrs. Li's sister, her son, and her daughter-in-law were also working for the company. As we made dumplings in their home, where the backyard doubled as a warehouse of construction materials such as cement, bricks, and tools, Mr. Li reminisced about his migration story, weaving together the personal and the historical conditions that made it possible and desirable. He came to Lusaka in 1994 as a provincial-level SOE engineer for a project. After the project was completed, he saw that there was a market for construction work and decided to quit his SOE job in China to return with his own savings of US$400,000.

> I saw the trend of SOE privatization in China, and I saw that this country was like a blank sheet of paper. The climate was nice and mild, not like Shenyang with extreme heat and cold. Chiluba's market reform was really brutal. Like China, Zambia reformed its socialism. But unlike Chinese reform, which was gradual, here it was overnight and chaotic. There was no taxation on any foreign investment [as long as there was no profit]. Only toward the end of his second term did he impose taxes on foreign investment.
>
> Socialism is the ultimate joke. It is a good idea to have equal distribution, but not before society is advanced enough and people are educated enough to be self-motivated and disciplined to work. Like Sweden and Norway, they have real socialism [and] welfare but people still work hard. In China, people of my generation have seen it all. Laziness is the nature of man and the planned economy makes lazy people. No motivation or aspiration. Zambia is very boring, with very few enjoyable things, and Zambians are submissive and passive, friendly, but they are also slow, unmotivated, and unresponsive to financial incentives.

He estimated that the productivity difference between Chinese and Zambian workers was a factor of ten:

> Bricklayers in China can lay two thousand red bricks a day; here Zambians can do only two hundred. They have a hard time making a wall edge straight; the line is always crooked. The biggest challenge is people: Zam-

> bians have no urge to improve or make money. Every time I pay them their salaries, I know one-third of the workers will not show up for work the following day. *Lao hei* ["black brothers"] have no desire for development, unlike Chinese. This is something you cannot teach. Nothing you can do about it; you just have to factor that into your construction schedule.
>
> Our company is open every day throughout the year except May Day, Independence Day, Easter, and Christmas. White managers and owners would not skip a holiday even if the heavens collapsed. Chinese just work hard and eat bitterness because China was poor. But the white guys are good in skills and management. So if a project requires skills and technology, they will win the bid.[33]

Another private contractor, Liu Jing Chun, who owned Zamchin Construction, had a background similar to Li Ming's, but had very different views of Zambian workers. He had been sent to Zambia by an SOE (Jiangxi Province Number One) to build an MMD headquarters in 1990, stayed for two years, went back to China, and returned to Zambia as a business partner in 1998. He had grown his company from one qualified for only small maintenance jobs in 1998 to a grade 1 contractor in 2014, with accumulated contract revenue of US$20 million. The construction unionist who introduced me to Mr. Liu told me that he was known locally as a very good employer. In 2010, to deal with the lack of commitment among Zambian workers, he built dorms for loyal or core workers in order to stabilize the workforce. He actually said that the rhetoric of Zambian indolence was the cultural stigma Chinese used to justify low wages and casualization. Unlike managers at state-owned companies, whom he criticized as short-sighted and too reliant on government support, private investors like himself had to put down roots in local society if they wanted to thrive in the long run. "I think it is not just or mostly about capital, but also social relations and experience. Capital may not even be the most important."[34]

> No government support at all, a totally private initiative: We started empty-handed—my partner had $100,000, I myself did not have any money, only skills—but we agreed that I did not take any income, and reinvested 50 percent of our profits into the company. At first, when we got a project of US$10,000 we were very delighted. Now, we will not even consider taking this kind of small job. We have come to know the market here pretty well. First business: a small maintenance job, repairing the office and bathrooms of the government granary. Small project obtained through personal relations. There are strict requirements for bidding big projects, like years of business, skill ranks and capital, average turnover, yearly business volumes. In construction, time is of the essence. Say you can make a 20 percent profit on a one-year project. If you finish in two years, the profit rate goes down to 10 percent; in three years, you make only 5 percent. Time

> efficiency is directly linked to profit. All Indian companies are wiped out now, because they say for Indians, "time is forever" [laughs]. I am not sure if this is true. The capacity to manage and plan is also important. But we Chinese, like the Jews, have a strong sense of crisis. Money brings security. And we Chinese are fed up with being poor for so long. We are particularly motivated to make money and be efficient. South Africans have good management skills and time sensitivity, but they do not have the consciousness to save and cut costs.[35]

Adaptation and Change

The Chinese managerial ethos of collective asceticism was as pervasive among Chinese expatriates as it was a subject of cultural contestation, evident in the circulation of the convict labor rumor. Even though many Chinese expatriates interpreted this moral criticism as another instance of foreign victimization of China and Chinese people, their experience in Zambia and their exposure to other ways of life did sow the seeds of change on the margins.

For instance, knowing how other expatriates lived in Zambia produced a sense of relative deprivation among Chinese mining managers at NFCA. An anecdote that several managers related to me independently suggested how change happened. The story was that when they first moved to the China House in Kitwe, they saw a wooded lot right across the street. Several houses dotted the landscape of mostly tall old trees. One day, out of curiosity, they asked for permission from the guards of that lot to stroll inside. To their amazement, they were told that only one person lived there—the CEO of MCM. "We were shocked to the core," recalled an NFCA senior manager. "How could one person take up as much space as seventy of us in the China House?"[36] Over the years, while continuing to invoke the same rhetoric of eating bitterness, NFCA employees have gradually pressured the parent company to improve their living conditions. By the time I started fieldwork in 2012, senior management had just moved into a newly constructed wing of the compound where each senior manager was assigned a duplex unit. All but a few people now had a single-occupancy room to themselves, and a new policy was put in place to assign jobs to spouses who wanted to join NFCA employees.

Among the younger cohorts of Chinese managers who were more likely to be fluent in English, changing jobs and moonlighting—and even establishing one's own businesses in Zambia—were not unheard of, although by no means common or overt. The manager responsible for bringing in investors to the Zambia–China Cooperation Zone made use of the business contacts he had accumulated in Zambia to open his consulting firm after five years. As I was about to wrap up my stint at NFCA, one of the senior managers shared with me his frustration with the current CEO and the entrenched SOE culture of nepotism and authoritarianism. I asked if he would consider moving to another mining company. He admitted that his years in Zambia had made him realize that there was an international market for his knowledge and experience in mining. He was actively thinking about making a move because he had recently been approached by an international company.

Adaptation was a two-way street. Despite the pejorative caricature of the hard-working Chinese culture as slavery and prison labor, some Zambians used this as a lens to reflect on Zambian culture. Some in the government and, ironically, the unions came to appreciate aspects of the Chinese way of life and practice in all their contradictions. The director of the National Council for Construction, having obtained a doctorate in England and toured different construction sites run by foreign investors concluded:

> We have this phase, *Zambian time*: when Zambians say they start at 9 hours, it means they will start at 10; when they say they clock off at 17; they are all packed by 16:30. In England, where I studied for my doctorate, if the seminar was supposed to start at 2 p.m., it would start at 2 p.m., whether there were only two or twenty students. Here, Zambians do not respect time. The culture and the way [of life] we have come from, how you are brought up. People like us who have education outside, we learn to be punctual. Here there is no discipline. In the government sector, the office is supposed to be open at 8, but civil servants don't actually show up until 9. When the big boss says he will be in at 9:30, he won't be in actually until 11. [People don't see time as money.] One excuse you can say is that we went through a socialist period. . . . Eighty percent of the economy was in the public sector, we didn't reward effort or success, everyone got paid the same. But then China was also socialist. . . . I wish I could explain [it] to you.[37]

A more surprising source of soul-searching was a national union leader of NUMAW, who retired in 2012. Since 2008, I had caught up with him more than a few times to discuss the latest development in his union, his negotiations with various mines, and miners' concerns. Usually he lambasted the Chinese for extremely poor conditions of service (especially for their refusal to understand why Zambian miners needed medical coverage for six dependents, not one). Yet one time, he gave a long monologue about his newfound mission to instill a new work culture among his union members, inspired by the Chinese way of working:

> There are few peoples in this world who can work like the Chinese. They start at 7h sharp until 11h30, get to lunch in 5 minutes and finish eating in 10 minutes, and from 12h to 13h50, they sleep, and start work again at 14h until 17h. In contrast, our locals will only move around slowly, it takes them 30 minutes to walk up the ladder of the shaft. Supervising them becomes a problem because they take so much time to simply move around. When the Chinese sleep, Zambians hang out, talk, and wait for the boss to wake up. When the Chinese get back to work after their nap, their minds are clear but the Zambians are already quite tired in the afternoon. . . . The Chinese have a positive attitude to work that is totally absent among the Zambians. If Zambians sneeze, they take time off to go to the clinic for medicine, running away from work. . . . It is our responsibility to impart a new work culture among our workers that work is life, work is important, you should be proud of a job well done. We should have a more positive attitude toward work. We do not have the right way of doing things, that's why we are not moving fast in economic growth. It's like this is examination time in Zambia. We are not helping our nation if we let our students cheat their way through examinations. We should make them feel proud about achieving in examinations and not just cheat. Since the first Republic, we are used to thinking that since the government is around, everything will be okay, everything is ours. We have no sense of responsibility or ownership. You see children throwing stones at school buildings, breaking windows, not seeing that those are their property.[38]

Chinese managers' and engineers' hands-on work style was also a subject of praise from more than a few Zambian veteran miners and engineers. They commended Chinese work culture for being more egalitarian than the Boers, the Indians, and even the Zambians. Younger workers reported learning skills from Chinese masters who always worked side by side with them on construction sites or underground. A miner who had joined the mines in 1974 remarked, "Chinese engineers come to the shop floor and participate in actual work, like they would come to repair motors regardless of their ranks. We were surprised to see the CEO join the lunch queue. The whites would just ask their secretary to get food from the canteen and eat in their own offices."[39] Because of the Chinese hands-on work style, some Zambian construction workers credited Chinese expatriates with teaching them skills. A mechanic working for a Chinese provincial SOE contractor admitted, "I think the Chinese are okay, the only problem is with regard to the little money they give us. It just finishes within two days after pay. I should say I don't complain about these people [who] have given me a skill [mechanics] and are paying me for that. At times, my boss would take over the work I am supposed to do and finish it in good time."[40] This view was echoed by another construction worker at a Chinese central SOE. Weighing the pluses and minuses of working for the

Chinese, he concluded, "Though they offer bad working conditions such as poor safety standards and poor pay, they taught me many trades. Because of the Chinese, I have enhanced my skills further in bricklaying, carpentry, and steel fixing."[41]

Chinese mine managers, for their part, while continuing to complain about Zambian workers' lack of creativity and initiative to think outside the box, also saw the merit of their rigid commitment to following technical rules and instructions in their daily work. The female senior engineer in the NFCA concentrator told me that Zambian workers rigidly and precisely follow the engineering instructions and would not resort to short cuts like her Chinese subordinates at home. Elsewhere, a young Chinese underground manager who was initially disappointed by the low level of productivity among his Zambian workers found ways to increase Zambian workers' efficiency underground. He instructed his shift bosses to give each PIC three lists of priorities. When list A was done, the workers had to attend to list B and then list C so that they would not waste any time idling. Apparently, that has worked and productivity has improved.

Last but not least, like coworkers in any workplace, Chinese and Zambians made genuine attempts to forge friendships. A young Chinese engineer at Sino-Metal played pickup tennis every day after work in the Chambishi tennis club in the township. A Zambian miner told me he had signed up for a two-year distance learning course to become a mine safety officer because his Chinese supervisor had counseled him to invest in his education so he could advance his career. When a Zambian employee at NFCA got married, his Chinese colleagues were all excited to attend the wedding, which turned out to be quite a culture shock—they waited for four hours before the bride and groom showed up. The next day as they went to work on the company bus, Chinese employees could not decide whether to laugh or cry about their bittersweet experience: "Zambians are tardy whatever they do, even on the most important day of their lives!" they joked.

In a nutshell, comparing the managerial ethos of Chinese state capital and global private capital in Zambia, this chapter argues that the former was characterized by collective asceticism in contrast to the latter's individual careerism. The unique Chinese discourse of eating bitterness sums up a way of life and a moral compulsion that emphasizes enduring hardship, disciplined savings, and commitment to work. I found this ethos among almost all Chinese expatriates in Zambia, but it was more institutionalized in the mines than in construction, and more in state-owned than in private firms. Relative to global private capital, Chinese state capital therefore had at its disposal an arguably more controlled, disciplined, and frugal managerial workforce. Yet, this ethos also invited disproportionate moral criticism, in the form of the widespread rumor that these Chinese personnel were convict labor sent by the Chinese state. Reinforced by the state discourse of China's victimization by the West, Chinese managers drew moral and nationalistic boundaries with the eating bitterness rhetoric and glossed over the class exploitation inflicted on them by state capital.

5

Contesting Capital: Aspiration and Capacity from Below

One of the enduring insights of Karl Polanyi's *The Great Transformation* is that the spread of the market, and the ravages and dislocations it creates, will generate society's countermovements, or attempts to subordinate market imperatives to collective decision making. Thanks to revived popularity of his work in recent decades, reflecting the challenges globalizing capital has posed, there is now a sizable literature on transnational movements against multinationals' violation of labor and land rights and the harm they do to the environment and indigenous livelihood. If "where capital goes conflict goes," as Beverly Silver's historical survey of labor unrest has convincingly shown, how effective are these struggles?[1] What kinds of countermovement will bring tangible changes to workers, their communities, and their country? In the previous chapters, I have argued that pressures brought to bear on foreign capital by the government, itself under pressure from the electorate, the unions, and rank-and-file workers have compelled Chinese state capital—more than global private capital—to accommodate to Zambian interests and needs. In moments of economic crisis and strikes, the Chinese state mining company made more concessions than the other two foreign mining companies. In construction, however, without similar state and popular pressure, Chinese state capital was as exploitative and predatory as global private companies. This chapter takes a closer look at the aspiration, capacity, and the impact of countermovements from below, and assesses their sustainability and effectiveness. It asks: What do people want from capital? What is the basis of solidarity or fragmentation within protests and strikes? What impacts do different modes of countermovement have on the ground?

I begin by articulating the collective aspiration of mine workers whose lived experiences with different varieties of capital over the decades have informed a well-defined set of moral and material expectations of foreign capital and the Zambian state. Are countermovements in Zambia addressing these popular concerns? The second part of the chapter reviews the various modes of resistance to foreign capital—thefts, transnational civil society campaigns, strikes, and protests—in terms of their goals, capacity, and effects. I have found that although miners' and their communities' direct actions tended to have the most impact, deep internal fissures and fragmentations of interests among miners often undermined their solidarity and limited their effectiveness, especially when compared to miners' struggles in the past. A newly emerged culture of loans and precarious entrepreneurship threaten to further erode their collective capacity in future struggles.

What Do Zambian Workers Want?

As a mineral-rich ex-colony, Zambia's development has been crucially shaped by debates and competition over the control, distribution, and benefits of mining wealth.[2] Miners had a long history of fighting for living wages, representation, and welfare before privatization. The arrival of foreign investors since the late 1990s introduced complexities into the matrix and dynamics of copper politics that are not always favorable to the working class. From the perspective of the rank-and-file miners, a persistent divide exists between their interests as producers of copper and those who make claims on copper wealth—the mining companies, unions, politicians, and the state. The boom since 2004 has neither mitigated their long-held grievances nor inspired hopes for a better future. The Patriotic Front administration's policies since 2011 have not altered these deep-seated divides and discontents.

Informed by their intimate knowledge about mining and by generations of lived experience under colonial, national, and foreign regimes of mine ownership, mine workers on the Copperbelt have developed a distinct perspective about their interest as opposed to the "national interest" touted by the political elite. In July 2008, when civil society organizations, political parties, and the Zambian government showed wide support for President Mwanawasa's proposal to impose a windfall profit tax on the mining companies, miners on the Copperbelt were less than enthusiastic. Abel Mukuka, a fifty-two-year-old mechanical fitter at the Chambishi mine with twenty-nine years of working experience in the industry, sat down with me and three other miner friends in his home, explaining why the windfall profit tax would not benefit miners:

> The windfall tax merely gives the investors more excuses not to pay us more. We find ourselves in a weaker position to negotiate. The investors say to us,

> "We are giving more to your country." It is taking away from us what we are due because instead of the companies sharing profit with workers, now they give it to the government. . . . Taxes collected from mining do not always go to the miners who are at the forefront of production. Instead they are spent on national parks and places where there is no copper.[3]

This refusal to equate miners' interests with that of the government had deep roots in the collective experience of the mining communities, stretching back to the years immediately after the mines were nationalized and consolidated as ZCCM. Mukuka recalled the 1982 "graduates' strike" he participated in, when high school graduates like himself joined the mine and demanded that the government pay Zambian and expatriate employees the same salary for doing the same job. The adversarial relationship between miners and the Zambian government only worsened in the 1985 strike against the Mukuba pension scheme:[4]

> This [Chambishi mine] was a youngsters' mine where high school graduates agitated for new ways of doing things. There were strikes almost every month. We were more radical than other mines. When strikes happened, they always started here. We pushed the union officials, but they failed to do anything to convince the management. . . . The 1982 "graduates' strike" was for equal pay between Zambians and expatriates—the Filipinos, whites, Indians, and Poles. We won and started to see change. We pointed at incompetent expatriates one by one, saying to management that this one knew nothing, and unqualified expats were sent home. In 1985, we struck again, this time against the government-imposed pension scheme. Police came to quell us and we threw stones at them. For about a week, we went around the different townships making noise, throwing stones at miners to make them join the strike. More than a hundred workers were sacked because the government wanted to punish us for not keeping our promise of not striking again after 1982. In my section, there were twenty-four of us, but only eight remained after the strike. They were not transferred but sacked. This began the process of closing the Chambishi mine.[5]

The consensus among the hundred or so miners I interviewed over the course of this research was that ZCCM failed because the ruling parties (UNIP and MMD) used it as a cash cow to fund a wide array of businesses, from guest houses to farms and pubs, and political events, such as party congresses and union meetings. ZCCM was starved for reinvestment funds and toward the 1990s, it did not even have the cash to buy spare parts or raw materials for production in the mines. It was mismanagement—not just the decline in copper prices, an external factor that the Zambian state pointed to as something beyond its control—that was the culprit in the miners' misery. Goodwin Ballon, a winding engine driver at NFCA, who started working at the Chambishi mine in 1974 before privatization, saw the rampant mismanagement problem under government ownership when "UNIP channeled resources from ZCCM. Managers were political appointees. There was a lot of waste and little accountability. I still remember they organized weeklong festivals for any miner who cared to participate, giving them free transportation from Chingola to Kabwe, and free track suits."[6]

During the past fifteen years of foreign ownership and management of the mines, coinciding with what the industry has called a "super-cycle of commodity" driven by the structural demands of China and India, the mining communities were still asking, "Where have all the mineral taxes gone?" Residents of the Copperbelt were reminded day in and day out of the unfair appropriation of mineral wealth by the government. Navigating pothole-filled roads with locals in and around major mining towns such as Kitwe, Chambishi, Chingola, and Chililabonbwe, I heard many times people explaining to me and to themselves, often without any prompting, why they still had to endure filthy hospitals hungry for medicine, strike-stricken public schools where teachers did not get paid, and compounds lacking electricity, water, and plumbing. Money from mining all went to Lusaka. The mining communities got nothing.

Due to the extraordinarily concessionary development agreements signed with foreign investors during Africa's fastest privatization process, Zambia's effective tax rate on mining companies was 0 percent from 2000 to 2008. There was no value-added tax charged for mine products; capital expenditure had a deductible allowance of 100 percent and stability periods of fifteen to twenty years, during which no changes could be made to the agreements. Royalty tax was set at 0.6 percent, way outside the global average range of 2–6 percent. Compared to other low-income copper producers, Zambia was an anomaly, with extremely low revenue generation relative to its export dependence.[7] The surge in world copper prices after signing away the nation's extractive rights added insult to injury to an aggravated country, but particularly the miners. Reacting to widespread civil society and opposition political pressures, the MMD government unilaterally reformed the tax regime with the 2008 Mines and Minerals Act, raising royalties to 3 percent. When Sata campaigned as an opposition candidate in 2008, the Copperbelt was his bastion of support because of his criticism of unfair taxes. One miner relayed a typical view that condemned the regressive tax regime:

> The Copperbelt has many working people who are experiencing very tough lives. They are not thieves and suckers. But the old government was compromising with foreign investors. Sata tells the truth that the working population is suffer-

> ing. Zambia has a working population of five hundred thousand. We are the tax base. While we pay 30 percent income tax, the government gives corporations generous tax holidays and rebates. When business owners change the name of their companies, they enjoy the rebates all over again. Individuals are paying more taxes than companies. Sata promises to change that. So we support him.[8]

Winning 68 percent of the votes on the Copperbelt (as well as 63 percent in Lusaka, and 64 percent and 73 percent in the Bembaphone heartlands of Northern and Luapula provinces, respectively), Sata ushered in a "pro-poor" policy agenda during his first year in power.[9] The Patriotic Front administration made two major legislative moves to fulfill the pent-up popular expectations for change and economic improvement: raising the mineral royalty from 3 percent to 6 percent, and raising the monthly minimum wage from K350,000 ($70) to K500,000 ($100). The hike in the minimum wage instantly put more money in the pockets of many Zambians in low-paying casual employment in both the mining and the construction industries. One casual worker at NFCA told me that when he took the new salary home to his wife for the first time, he felt as though he had struck gold: "I have never in my life taken home so much money! We could not believe it."[10] Doubling the royalty taxes (calculated on the basis of sales revenue and not profit) gave the new government more tax revenue and burnished Sata's image as a leader willing to stand up against foreign investors. Miners and mining communities were pleased to see some visible improvement in infrastructure. When I revisited Abel Mukuka six years after our initial conversation in his home, he credited the Patriotic Front for making things better: "You can see the construction work on the Kitwe–Chingola road. That has been people's cry for over fifty years, so many road carnages on that road. The PF [Patriotic Front] promised a dual-carriage road, and they are doing it now. In fifty years we have not seen construction of roads in the rural areas where people have lots of challenges, like transporting their produce to the market. I recently visited Central Province, where my wife's family lives; they told me things are improving."[11]

Nonetheless, many still felt the painful disconnect between national and local revenues and between fiscal and social policies. A higher minimum wage rate did not bring any enduring empowerment, as miners and their communities led an economically precarious existence. The general view was that neither Zambian nor foreign ownership had changed the inequitable distribution of mineral wealth. The direct producers were still mired in abject poverty, benefiting last and least from the hard labor they put into their God-given resource. Wilphred Phiri, a Kitwe-based technical manager of ZCCM-IH, representing the Zambian government's minority (10–20 percent) interest on the boards of all the privatized foreign-owned mining companies, summed up the view of the local community:

> People are not against foreigners owning and running the mines, because we know we cannot do it ourselves, and our government is corrupt. They are upset because they do not benefit from the profits of copper. You see in Kitwe, all the schools, hospitals, and roads were built in the '60s, under Kaunda, and our newest building is the Mukuba Pension House, which was built in the mid-'80s. Everything is run down. People do not see any wealth benefiting their basic needs. Fifty percent of our national budget goes to paying bureaucrats, whereas schools and hospitals are poorly funded.[12]

Under the Patriotic Front's administration, in March 2012, Chingola residents took to the streets, protesting the deplorable state of roads, inadequate garbage collection services, and erratic water supply amidst heavy police presence that averted a riot as youths were throwing stones.[13] In 2014, three years into Sata's presidential term, a thirty-nine-year-old underground electrician at MCM was still disappointed by the lack of sufficient progress:

> In general, people feel the government is not doing much to compel the investors to stop channeling resources outside the country. Under PF, there is more improvement in the townships, you can see more construction of roads even inside the compounds, schools, and hospitals. But they still fail to deliver on their promise, "'More Money in Your Pocket." Actually, we have less money in our pockets because prices have gone up and taxes for individual businesses have gone up. I used to have a taxi and rent it out to drivers but I had to abandon it because of competition and taxes on capital income. The government sent auditors to the compounds to check on people's small businesses.[14]

This frustration with the government's lack of capacity and will to regulate and leverage foreign investment was widely shared by construction workers. Compared to mining, construction was an even more informalized industry: 94 percent of workers in construction were in the informal sector, compared with 84 percent in mining.[15] Since construction jobs were footloose, short-term, and project-based, there was scant generational transfer of skills, work culture, occupational identity, work-based residential pattern, and communal life. Construction workers tended to be younger, with an average age of thirty-two, and had worked for an average of two years in the construction industry in our survey of 200 workers. When a construction project began in a locality, contractors would recruit general workers, bricklayers, steel fixers, mechanics, and drivers by posting job ads on the front gate of the site. They would keep a small contingent of skilled workers—carpenters, electricians, and foremen—as permanent employees or as longer-term (three- or five-year) contract workers. The end of a project would see the dissipation of the workforce.

Like the miners, the dominance or nationality of foreign contractors were not issues of concern, as long as they created jobs that paid decent living wages and abided by the labor law of the land. Realizing the shortage of Zambians with capital, workers welcomed foreign investors, on the one hand, and loathed the mistreatment of workers, on the other. Most of them deplored the lack of serious government regulation and monitoring of the industry. For instance, a general worker at a dam construction site run by an Indian contractor, after grumbling about the lack of work suits, helmets, and safety boots, pointed his finger at the government:

> I don't think foreign investment in construction is bad for our country. What I can say is this: our government should make laws which all foreign companies operating here must be able to follow. The government must work out a minimum wage. . . . [N]o worker should get below this or that amount. Definitely the government should not restrict the number of foreign companies. . . . [R]educing the number of foreign companies would reduce the number of jobs for Zambians. I think the major problem caused by the foreign construction companies is that they come strictly for profit making. They don't care about our well-being—they don't care about our working conditions, our health, or how much we get. . . . I would like to appeal to the Ministry of Labor to undertake frequent inspections so that they are able to know if the working conditions are good or bad, and if the companies comply with the laws of Zambia. I had never seen any inspectors from the Ministry of Labor since I started work here. I doubt if they do regular inspection anywhere.[16]

Beyond Nationality and Ownership: The Long and the Short of Capital

Recollection of the economic and moral commitments of colonial and state ownership of the mines grounded miners' critique of the new investors in material, not ideological, terms. Their historical experience taught them that nationalization did not bring inherent advantages to the mining community, and foreign ownership was not necessarily bad. These two remarks were commonly expressed among mine workers:

> We are happy to have foreign investors. But we wanted to be remunerated fairly and not [be] used as cheap labor. You see, they make profits but workers suffer from slavery-like conditions. It's very disheartening.[17]

> We do not care who buys and owns the mines. The important thing is how they run the mines and show respect for our humanity. We Zambians have fought

> for the independence of southern Africa for a long time. Foreign investors should know this tradition. We want respect.[18]

When asked to compare and assess past and present owners, miners overwhelmingly preferred Anglo American and Roan Selection Trust (RST) to ZCCM and today's multinationals, including the Chinese state company. For them, it was not nationality or ownership that mattered but a long-term commitment to develop the ore and enhance production through capital and skill upgrading, to compensate workers and their families fairly, and to treat local communities as partners. Their concerns went beyond wages and taxes to include issues such as community sustainability, skill formation, standards of production, safety, leadership style, capitalization, and management accountability.

Vivid memories of community facilities in the past provided a yardstick to measure how far things had fallen under the new investors. Since privatization, the evisceration of a system of social reproduction of labor for the mining community was sorely felt. During the colonial period, as part of the policy of "labor stabilization," Anglo American and RST responded over the decades to first white and then African miners' demands for a range of benefits, including pensions, schools, hospitals, and housing; amenities such as football clubs, racquet and tennis clubs, and women's clubs; and services including nurseries, water, and power.[19] Under ZCCM, these provisions continued. Today, the buildings for these facilities are dilapidated, with broken windows and peeling paint. Racquet courts, for instance, were run by private businessmen who charged fees for anyone who wanted to use them. Many old-timers who still recalled going to a social welfare department in the mines to seek help resolving domestic disputes and obtaining supplies of light bulbs and diapers from the mines deplored that without social amenities, youngsters these days had no place to go for healthy diversions. They just "loiter and drink in the bars all day." Former miners in Patience Mususa's ethnography of the Copperbelt likewise reported similar experiences of chaos and downfall after privatization. One of her informants described to her, "ZCCM looked after our world. Things were okay, they did not look like this, and we had time for lots of recreation. We did not suffer."[20] The most common refrain she heard among residents of the mining town Luanshya after privatization was *twali cula* ("we suffered").

In Chambishi, even though local communities and miners who had direct local contact with Chinese investors attested to the noticeable improvements made over time by the Chinese state mining company, it was still deficient in terms of manpower training, safety standards, and community welfare, when measured against what people have collectively seen as possible. Three miners' wives credited the Chinese for reopening the mines, creating jobs, and contributing to local infrastructure, even though more was necessary.

> Because of the development they have brought about, people have a much improved image of the Chinese now . . . filling potholes of township roads, repairing pipes so we have water at home, clinic in the Zambia Compound, classrooms in Chambishi secondary school. When they first came, people thought the Chinese are greedy because they pay very low wages. Now, we have accepted the reality of low wages, we still think they are greedy, but at least they have contributed a bit more to local development. Both government and the mines should be responsible for development.[21]

Similarly, ex-miners and miners complained frequently about the "abrogations" by the new investors. A sixty-three-year-old retired ZCCM accountant who was retained by NFCA after privatization itemized these abrogations: "life insurance coverage was shortened from sixty months to twenty-one months of salary, leave passage was reduced to a flat rate of K500,000 rather than the transportation fee for six back to the home village regardless of distance; a lump sum of K1.5 million funeral grant rather than coffins with funeral grant; no more free sugar and free cooking oil."[22]

Both before and after nationalization, mine management's long-term perspective also led to investment in workers' skills. From sending trainees to the Kitwe Trade School for three to five years of full-time technical and artisanal training to full scholarship to the University of Zambia and overseas undergraduate education in the United Kingdom, an entire generation of mining engineers, technicians, and artisans was created, providing the technical backbone for today's foreign-owned mines. A section engineer at NFCA and a mine manager at KCM lamented on separate occasions that when the mines do not provide systematic training, the whole country suffers from the loss of national skill sets.

Peter Mwangamba, a section engineer at Chambishi, observed:

> The Chinese meet the production target but not the engineering target. As a Zambian, I can see how skills are lost among the new generation of workers. Under ZCCM, before you could start working, they put you through one month of induction. Today, it's one day. At that time, there was a system of training but today it all depends on the individual. I train my subordinates but others may not. . . . We are not empowered by the Chinese because we have no skills to take with us once we leave NFCA. Work attitudes are different too: in the past, when I was told to connect the motor with cables, I'd understand how this motor was related to the surrounding machines. Now workers don't

> have a commitment to work, and they are not concerned with how things are connected.[23]

Jackson Musukwa, a mine captain whose career spanned ZCCM, Anglo American, and now KCM, compared the training policies of ZCCM and KCM:

> Under ZCCM, they recruited grade 12 graduates from the compounds. They sent them to trade schools and absorbed them into the mining side of the operation. These days, we are not recruiting new blood to be permanent employees. We don't have a school to train outsiders from the compounds and promote those who are capable to become person in charge, crew boss, shift boss, etc. Today we only train people who are employed by the contractors but by the time they become experienced, the contractor might be leaving after one year or two years when his contract ends, and these skills leave the plant with the contractors. New contractors come and you train their workers all over again. Where is the buffer, the supply? We have not recruited direct employees for five years. KCM's intention is to reduce employees. The young ones these days do not want to join the mines because they see no long-term prospects. If I know I'm going to stay in one job for five years, I'd put time and effort in the job. But these days, people are doing the job part time or for one year; people start looking for something else the moment they take up the job here.[24]

Besides skill transmission, safety was a main concern among miners. Again they based their comparative assessment on actual company practices and not ideological concern with nationality or ownership type. Interestingly, right after privatization, Anglo American was said to have brought high standards of safety and long-term productionist orientation to the mines and communities. "On safety, you cannot compare KCM with Anglo American. For Anglo, safety was always first. Everyone had proper PPE [personal protective equipment]. With the Indians, profit is first. We have PPE but of very poor quality. They give you gloves that will be worn out after a day's work, or boots that are made of canvas. They think they are saving but they end up increasing the cost of production because we have to spend time going to the safety people to ask for replacements. The unionists talk about this issue every day. They [Indians] are stingy."[25]

Another fellow unionist now working for the Chinese smelter (CCS) also credited Anglo American for setting the gold standard on the Copperbelt. "People were very happy under Anglo. It was stated in their policy that they wanted to be the preferred employer. They gave people a 22 percent increase, which was higher than any company at that time. Anglo gave people a sense of belonging. They had very good safety program to train every workman, not just the safety officers. They said people should be proud about their company."[26]

This echoed the view of another miner at Chingola, who fondly recalled Anglo American's proposed "clean pay policy," which was eventually vetoed by the Zambian government:

> Anglo American came with a very, very good policy. They wanted to pay Zambian workers in U.S. dollars and in the same amount as Anglo employees in South Africa or anywhere else. Zambian government officials thought it was too much money. They feared this would create inflation. Therefore it was never implemented, too bad for us. "Clean pay" means transparent figures, money that is a living wage that can actually sustain your livelihood. They paid a lot of attention to issues of safety, health, and quality. Every six months, they make sure you get new PPE. But today you'd be surprised that some people even do not have PPE. Anglo procured a lot of durable spares, readily available on the shelves of the supplies department. Our colleagues from India like to buy cheap spares that will break in a few days. Cheap is actually expensive, because you replace the items many times instead of once every six months. . . . Anglo repaired the roads in and out of the mines. Today, under the Indians, they don't even improve the roads inside the plant. They built houses for the Indians but not for Zambians.[27]

Another miner in Chingola, Billy Manga, whose career spanned ZCCM, Anglo American, and KCM ownership, compared the leadership styles of Anglo and KCM: "When the Indians first came, we clashed with management during the first negotiation. There was a ten-day strike. The Indians did not have the strength to come to their own employees. They just talked through the human resources delegates. But with Anglo, Robin Mills, the chief operating officer, the number two in command, he was so strong, he would come to the plant to clarify things with the employees."[28]

If rank-and-file mine workers focused on compensation, safety, and welfare policies, Zambian mining engineers distinguished between sustainable and plundering methods of mining. A veteran mine manager in Konkola with thirty-two years of experience in mining engineering made an insightful comparison between the long-term perspective of the "Oppenheimer way" of mining and today's short-term, finance-driven orientation at KCM:

> When copper prices were sky high in 2006, $30 million worth of machinery [dump trucks and loaders, etc.] arrived and operation people decided where to use them, development or production. Someone at the top made the decision to go into production rather than development. That's short-sightedness. Worldwide we have seen companies put increasing emphasis on financial analysis as [the] basis for technical engineering decision making. Technical decision making helps you to minimize risk: you want to develop enough so that when prices are up you can profit; financial analysis looks just at this year.

> If you look at the history of the Oppenheimer family, who was the majority owner of Anglo American, you would see that they used technical decision making and reaped huge profits at the end of the day. KCM and MCM, and mining companies worldwide look at financial analysis. . . . You see, since the '80s, I have been involved in projects and I read documents on how companies started and decided about projects. Their [Oppenheimer's] principle was, once they decided on developing the mines they wanted, they would not stop a project even if prices fell because when prices eventually came up, they recouped many times more.[29]

Another yardstick mine professionals used to assess the past and the present was technical standards of mine operation. Nelson Kalake, a mine manager at Konkola mine who had been given a scholarship by RST and Anglo American to be trained as a mining engineer at Leeds University in the United Kingdom, reminisced:

> I could assure you that ZCCM was extremely professionally run. I don't think even Anglo's operation standard was as high as ZCCM. There were elaborate manuals and documents about machine operation. We had consultants and a clear management system. The weakness was that the government was milking from it. Had the government washed its hands, let ZCCM run as a mining company, we would have been fine. These days, commercial [department] decides to buy support bolts from one supplier without testing them. They may *look* the same as the good ones, but they don't perform well, just cheaper.[30]

In a passionate rant, another mine manager assailed KCM for being in such a hurry for profit that its day-to-day practices are undermining the long-term sustainability, safety, and quality of the ore in the Konkola Deep mine, the crown jewel of Zambia's copper deposit:

> The ore is there, but we are in a hurry to make money. We are not waiting for projects to mature before starting business planning. Without concluding the investigation of the ore, we already plan operation. They focus on the tonnage, not ground support or geological challenges, not long-term sustainability. . . . But let's not produce now, let's produce later but with quality. Let's reduce production for one to two years so we can access more of this ore body. The main problem at Konkola Deep is we have not had enough development work, like laying the infrastructure, tunnels, and evacuation, for us to extract the expected tonnage to feed the processing plant. The priorities are upside down. You develop a world-class mega-processing plant but the underground is underdeveloped. . . . Now the owners have invested so much money on the surface, they expect huge production, so they give even more pressure to put production ahead of development. This threatens the life of the mine in that mining standard is lowered, as you don't prepare and support the mine prop-

> erly now. You will be increasing the chance of technical failures in the future. Safety will be compromised.[31]

Piecing together many animated comparative accounts of past and present, we can see how Zambian workers' and communities' varied experiences with different mine ownership regimes and foreign capital of different national origins forged a set of layered historical references and standards. In light of these lived benchmarks, they understood their interests and formulated their technical and moral critiques of today's foreign investors. Their narratives present a longing for and vision of development as a place-based, collective, public, long-term project in which capital, the state, and workers have shared interests. Even as the Chinese state-owned mine took a longer-term perspective in production, it was still deemed as deficient as its global private counterparts in manpower training, safety standards, and community welfare, *compared* to an amalgamation of realizable and realized standards under previous regimes. In the next section, I turn to the various modes of collective resistance to capital fueled by persistent poverty and widespread frustration with underdevelopment. Among these countermovements, theft and transnational campaigns were not as effective as protests by local workers and communities in bringing about material changes.

Countermovements: Theft, Transnational Campaigns, and Local Protests

Theft was endemic in the mines and on construction sites. Looting during wildcat strikes was only the most dramatic and visible manifestation of theft as a quotidian mode of popular resistance to capital. At the Chinese state-owned mine in Chambishi, a Zambian corporate lawyer and corporate affairs manager enumerated several major categories—white-collar crime by administrative employees (e.g., HR paying salaries to ghost workers); plain theft of cables, scrap metal, motors, and window panes, through the porous fences of the mine); and organized theft of copper concentrate by workers, truck drivers, mine security, and mine police conspiring together. One facilitating factor for the frequency of theft was the utterly underfunded Zambian police force. "Police mobility is very inadequate because the police are not just understaffed, there is only one pickup for the entire Chambishi, with no radio communication, and they lack fuel on a daily basis. That's why mine owners must take up security themselves by hiring mine police who are licensed to use firearms and have the legal right to defend the mines."[32]

Rampant theft was reported in other mines as well. In the first quarter of 2015, twenty-eight incidents of copper cable theft, totaling 1,035 meters valued at US$27,606, occurred at KCM, whose CEO revealed that the thefts were executed in conjunction with people within the system. "Three contractor employees have been convicted and jailed for these offences. Not only does cable theft cost the company money, it also interferes with production and places the safety of our people at risk."[33] Likewise, MCM saw similar offences, and reportedly lost more than K1 billion through thefts of copper products and cables in the first quarter of 2012.[34] Thefts have been a long-standing problem since privatization. As early as 2006, six major mining houses (not including the Chinese NFCA) joined with the Zambian police to create "special anti–copper theft squads" to combat the rising thefts of metals while in shipment. The effectiveness of these squads was put in doubt from the beginning, as one major newspaper editorial mockingly noted, "It is a wonder that on the day the police high command and mine owners were meeting in Kitwe yesterday to find ways and means of curbing the rising cases of copper thefts, you have a truck laden with 40 tonnes of stolen concentrates impounded and 12 people caught red-handed."[35]

A Zambian official told me that some of these thefts were related to a particularly brutal and powerful syndicate of black-market copper thieves and traders known as the Jerabo. "These are gangsters specializing in stealing copper, paying $10,000 for a driver to divert the delivery of copper, who will then disappear for a period of time, start a new life or business somewhere else. When you see people driving flashy cars on the Copperbelt, they could well be organized criminals!"[36] All the mines were susceptible to the Jerabos, who also committed crimes such as rapes and murders and were feared and revered by locals. Part of the reason was that they claimed to empower youths by giving them their due share of Zambia's mineral wealth and negotiating with the government to grant the "youth and community" the right to profit from a slug dump site called the Black Mountain in Wusakile, Kitwe.[37] When Youngson, the Jerabo kingpin, died in mid-2015, President Lungu expressed condolences and a local member of parliament praised him, saying, "Most of us just know that we have minerals but this man made us realise their value."[38] Although I did not have the opportunity to talk to anyone who committed copper thefts, the ambiguous reputation of the Jerabo was arguably suggestive of thefts as an everyday form of class resistance *à la* James Scott. But even as thefts gestured toward a form of private retribution and redistribution of control over property, in the case of copper, they were not a legitimate or effective way of bringing about collective and communal benefits.

Transnational campaigns against multinational corporations arrived in Zambia as global advocacy networks foiled the global mobility of mining majors. As publicly traded companies, Glencore and Vedanta, the London Exchange–listed parent companies of KCM and MCM, respectively, were targets of transnational campaigns. For instance, the annual Global Days of Action against Vedanta was by 2015 in its eleventh year. Organized by Foil Vedanta, a grassroots solidarity organization, it targets the company in London, where it is registered, as well as linking with people's movements where Vedanta is destroying lives and devastating the land in India, Sri Lanka, Ireland, Zambia, Liberia, South Africa, and elsewhere. Annual general meeting (AGM) protests "took place in seven global locations in India and Africa while Vedanta's AGM at London was mobbed by a loud rally . . . accusing the company of pollution, human rights abuses and financial mismanagement. In London a comical staged boxing match between Vedanta's 69.6% owner and Chairman Anil Agarwal and new CEO Tom Albanese, revealed the company's debt problems and internal dynamics while protesters chanted 'Corporate criminal, shame on you!' and drummed loudly."[39] In Zambia, Foil Vedanta published dedicated research reports such as *Copper Colonialism* (2014), which detailed KCM's environmental and labor rights violations.[40]

Targeting Glencore, a world-leading trader notoriously known for its founder Marc Rich and the companies' many secretive deals, the London Mining Network, an alliance of human rights, development, environmental, and solidarity groups, organized AGM protests in Switzerland and London, exposing the environmental and social degradations caused by its operations around the world and calling on national legislature to take tougher stance against the company's abuses. "Glencore? No More," "Enough Is Enough," and "Stop Glencore's Deadly Mines" were some recent global campaigns, in addition to the Glencore Global Network formed in 2014 amidst the antiunion drive of the mining giant in five countries.[41] Another coalition, "The Counter Balance," monitored multinational companies funded by the European Investment Bank, the financial institution of the European Union. It issued a report in 2010, "The Mopani Copper Mine, Zambia: How European Development Money Has Fed a Mining Scandal," that detailed MCM's acid water contamination, air pollution, labor casualization, financial fraud, and abrogation of communal service provision.[42]

Thanks to Chinese central government ownership of CNMC, the parent or group company of NFCA in Zambia, transnational advocacy groups cannot leverage AGM as an occasion for protests to shame and pressure shareholders into changing the way CNMC mines operate. Also, CNMC is still a very minor player in the international commodity/copper market and has a much less extensive international footprint of atrocities. Yet, NFCA has not been immune to criticism from international NGOs. The Human Rights Watch, a high-profile global NGO, issued two reports on Chinese state-owned mines in Zambia in 2011 and 2013, which were widely circulated in the international and African media. The 2011 report, titled "You'll Be Fired If You Refuse," concluded that the Chinese were more abusive than other foreign investors and stirred debates among government officials and academics, some of whom accused the organization of racially motivated bias against "Chinese" companies abroad.[43]

One local civil society campaign seemed to have created disproportionate pressure on the mining sector and the Zambian government. Widely circulated and much discussed, the booklet *For Whom the Windfalls? Winners and Losers in the Privatization of Zambia's Copper Mines* (2007) was rather effective in raising public awareness of the effects of privatization on local communities and workers. Authored by two academics, Alastair Fraser and John Lungu, and funded by the Civil Society Trade Network of Zambia and the Catholic Center for Justice, Development and Peace, with support also from the U.K.-based Christian Aid, the project released to the public the development agreements signed by the Zambian government with the individual investors, exposing for the first time the extraordinarily concessionary terms of the mine sales. This campaign spurred civil society's outcry clamoring for higher taxes, resulting in the amendment of the Mines and Minerals Act in 2008.

There is no easy way to empirically assess the effects and effectiveness of transnational activism and national civil society mobilization in changing foreign investors' practices and improving workers' lots. When I interviewed CEOs at the three mines in this study, they did not report any pressure from their parent companies due to these transnational campaigns. AGM protests did not receive much press coverage in Zambia and miners were generally not aware of their occurrence, let alone impacts. At NFCA, a deputy CEO showed me his written responses to the Human Rights Watch report and other similarly critical commentaries by international NGOs. "We explained how they got the facts wrong, and thank them for their attention. That's the end of it." He then put the documents back into a folder in his office. Case closed. As other scholars have found, the limited effects of transnational activism on foreign investment in Africa has to do with a lack of linkage between external campaigns and local civil society, and the use of overly simplistic narratives to rally global support even though these narratives fail to capture the complexity of local problems.[44]

Compared to theft and civil society campaigns, the withdrawal of labor and disruption to production had been more effective in bringing about salary increases, as they represented the most direct threat to corporate bottom line. In chapter 3, I showed how wildcat strikes, especially if coupled with government pressure, pushed the Chinese in particular to substantially change the conditions of service at NFCA. It is now time to look more carefully at the internal dynamic and fissures among miners and mining communities at moments of conflict in order to gauge their potential for sustained effectiveness.

Fragmentation and Generational Divides

Alienation and distrust between unions and their members was one axis of fragmentation. As discussed in previous chapters, organized labor used to play a pivotal role in the country's political development, from the anticolonial struggle for independence to the anti–structural adjustment food (mealie meal) riots of the 1980s. Frederick Chiluba famously rose from leading a union to become the first president of the Third Republic, the era of multiparty democracy that began in 1991. Chiluba's ascendancy to the presidency, ironically, spelled the demise of unions. "For the first time in 40 years, mine workers lost their autonomous analysis of how international economics shaped their capacity to meet their aspirations, placing their hopes instead in their new national government."[45] President Chiluba reversed his opposition against structural adjustment and, through amendments to labor laws in 1993 and 1997, effectively decimated unions' power and workers' rights. In addition to legislative disempowerment, informalization of employment drained unions' membership base and limited their recruitment capacity.

Today, notwithstanding their political marginality, unions still have an entrenched institutional presence in the mining sector, and most miners still join the unions because having some institutional representation is better than having none at all. On the Copperbelt, MUZ lost its monopoly status in 2004 when NUMAW was formed, galvanizing majority support among workers in quite a few major mines. Two more unions, NUMWUZ (United Mine Workers Union of Zambia) and MCAWUZ (Mine Contractors and Allied Workers Union of Zambia), emerged in 2010. Every year, these unions hold individual or joint collective-bargaining sessions with mining companies where they have members. Rank-and-file members typically perceived their leaders as weak, incompetent, opportunistic, and corrupt, unable to bring about the desired salary increases or protect them against employers' arbitrary dismissal. Distrust of unionists was expressed openly by many and in different ways. One day in Nkana (now run by MCM), as I was walking with the NUMAW branch chairman and secretary to their office, passing by dilapidated buildings that used to be the mine mess, gym, movie theater, and bowling alley, some miners yelled at them, teasingly but aggressively, "Chairman, give us our money!" The unionists turned toward me and explained that workers all believed union officials got extra pay from the company to compromise during negotiations. When the annual bargaining meetings hit an impasse, rank-and-file members would routinely throw stones at their representatives who addressed them about the slow progress of the negotiations. Popular perceptions of collusion between unions and management were based on things such as fully paid "overseas study tours" for unionists to visit the headquarters or subsidiary mines of these companies. NFCA offered trips to Beijing and Shanghai for branch and national union officials, and KCM took them to Delhi and mines in India, while Mopani showed them gold mines in South Africa. Some managers and unionists from various mines told me about giving and receiving bribes, even though both sides claimed that the money did not change their positions at the bargaining table. A human resources officer at the Chinese smelter who participated in some of these negotiations complained: "These union representatives always make personal demands like jobs for acquaintances and they all take bribes. Still they insist on unreasonably sky-high increment rates. They said they have to show their members they are doing their job!"[46] Similarly, a former MUZ deputy national general secretary told me over dinner: "Taking money and job favors from KCM is a common practice. I have met management right here [at the Sherbourne, a posh restaurant in Kitwe]. The money [they give] can last you for some time. Jobs too. So when my nephew needed a job, I talked to them. And over the years, I have helped my kin and friends." When I teased him about this plumb job, he rebuked me with a serious look: "I wish you had run with me into the compound the other day. I had to run for my life for several kilometers. We always have to brace for disturbances during the negotiation period. Disgruntled members chased us and threw stones at us."[47]

Another important reason for workers' disillusionment with the unions was the latter's failure to protect workers dismissed for allegedly instigating strikes or causing disruption in production. Under the 1971 Labor Relations Act, strikes were made practically illegal, and sympathy strikes were declared explicitly illegal in the Industrial and Labor Relations Act in 1993.[48] Company attorneys and HR managers today are confident that dismissing workers for inciting strikes is lawful. By simply following the procedures laid down in the company disciplinary code against what was described as "involvement in an illegal work stoppage to protest the outcome of the collective bargaining agreement by absconding from work," companies can win any lawsuits brought against them by the workers. Unions' hands are tied by these regulations. In some cases, workers sued union officials, too, blaming them for misinforming them or lying about their participation in work stoppages.[49]

Two Generations of Miners: Homeowners or Slum Renters

Another fault line among miners was the generational and status cleavage between older miners who joined the mines under state ownership (i.e., ZCCM management) and were either retirees or retained by the new investors as permanent employees, and younger ones who joined as contract and casual employees after privatization. Their residential pattern, life chances, and employment conditions were different enough to cause intraclass conflict during occasional wildcat strikes and protests in mining compounds.

In Chambishi, for instance, where many NFCA miners lived, the generational divide between miners who benefited from the sale of ZCCM housing stock and their younger counterparts who missed the boat showed up in residential patterns. Older and nicer homes built in the ZCCM era, with electricity and plumbing, were found in the "township" section in Chambishi. Adjacent to the township was the slum area called the "Zambia Compound," where younger miners and casual workers lived in rental or self-built huts. Shoddy mud houses were crammed together amidst open sewage, and the whole area was strewn thick with white mealie meal bags that residents pieced together as fences to create some privacy for their homes. There was no electricity or indoor plumbing. Abject poverty was in plain view—children too poor to go to school playing outside their homes during the day, women waiting in line to fetch water from the community water tap, and young men and women drinking their days away in rowdy neighborhood bars serving strong but dirt-cheap local brews.

Pockets of slums where contract and casual workers concentrated could be found in the other two mines: Wusakile, Mindolo, and Chimwemwe near MCM; Chiwempala, Kapisha, and Lulamba near KCM. When I visited Lenox Kasanda, a thirty-year-old concentrator operator working in Chambishi but renting a small hut in Wusakile on the outskirts of Kitwe, he was adamant that housing should be provided by the employer. "We look back at ZCCM, they built all the houses for workers. With housing, employees could feel secure and would work harder. . . . When ZCCM was operating, copper prices were below $2,000. Now it is $10,000. For the past two years, copper prices have gone up and up, and yet a 1 percent rise in copper price never brings us a 1 percent wage increase."[50] His rented house was a tiny one-bedroom unit, so small that the couch we sat on occupied almost the entire living room. He had to hang his television set up on the wall, and his wife and two sons were sitting on the floor in the bedroom, where there was no space for a bed. Malodorous garbage filled the narrow pathway separating his house from his next-door neighbors. The slum was a world of difference from the single-family bungalows with front and back yards owned by retired and veteran miners and which projected middle-class aspirations, even as they become dilapidated today.[51]

A forty-nine-year-old leach plant workman who benefited from the one-off privatization of housing in the late 1990s felt sorry for the younger workers, as he explained to me in his self-owned home in Chingola:

> Younger workers don't have houses and they don't have security because they can be evicted by landlords who can increase rent on a monthly basis. Even if you sign a lease, they can just raise the rent and force you out. Sometimes you see these youngsters report to work to ask for time off from work to take care of the move. This is a major problem right now in production [because of housing problems]. KCM is not building houses for these young workers. The same with Chambishi. People have to spend time traveling far distances because there is no housing near the mines.[52]

Veteran miners had very precise memories of the privatization of homes, because it was very consequential for their livelihood, security, and entrepreneurial opportunities (see further discussion later in this chapter). In Chambishi township, a permanent employee at NFCA explained the double jeopardy in which younger employees found themselves.

> [During privatization] for a home of K6 million, every year of service at the mines would be credited for 2 percent of the home price, so that a miner with twenty years of tenure would be credited 40 percent of K6 million, or K2.4million, and had to pay the rest, K3.6million, in cash. As the revised Employment Act in 2000 removed the clause requiring employers to provide housing to employees, young miners who were not given the chance to buy ZCCM housing have to rent. Yet, all employees of the mines, whether homeowners or renters, receive housing allowances amounting to 35–39 percent of their basic salary. Younger miners therefore have been relatively deprived twice.[53]

At work, where contract or indirect workers labored alongside direct, permanent workers, the sense of relative deprivation was strong and damaging to work morale. A twenty-eight-year-old scrapper driver working for a contractor at KCM told me that rent ate up half of his take-home income of about K1,500 ($300) a month for his family of four. He was paid by the hour, at K4.9 an hour, eight hours a day, and had to produce one hundred tons per shift, one ton per scoop. "There is no motivation to work because the pay is so low. We only rest once a month, we work every day. Contractors don't have a fixed payday, whereas KCM always pays their workers on the twenty-sixth. From time to time, one or another contractor's workers would strike because of payment delay, because KCM fails to pay the contractor." And to add insult to injury, "I feel intimidated by KCM workers who earn more, they hurt our feelings. On payday, they showed off their pay slips of K4,000, and say how can people live with only K4,000, when they know we only get K1,500."[54] Demoralized contract workers reported resistance tactics: "Workers don't damage the machinery. But they have tactics, because they are not motivated. What I can achieve in two hours, I do it in five hours. Maybe I can repair the machine but I just let it stand idle. When we went forty days without pay, people lost motivation and they used these tactics."[55]

Wildcat Strikes: Episodic Solidarity and Violence

The segmentation of mine workers based on generation, housing, and income had not preempted the emergence of wildcat strikes in the mines.[56] In curious and contradictory ways, these episodes illustrated the convergence of resistance that was possible, because informal and formal workers belonged to the same community. Yet, they also threw into sharp relief their fractured interests, and hence the use of violence by some members of the mining community to enforce class solidarity.

In all three mines in this study, strikes started in the mines but were instantly joined and escalated by laid-off, casual, and unemployed workers living in the compounds. Firsthand accounts by miners and unionists in the three mines suggest a common pattern. Wildcat strikes usually happened when bargaining sessions reached a stalemate and union representatives would threaten management with potential agitation by their members and the communities, even as unions were also eager to control such noninstitutionalized grassroots mobilization. The following two accounts given by participants at KCM and NFCA, respectively, showed miners' cleverness at instigating action without leaving any leadership fingerprints. According to a veteran KCM miner:

> At every stage of the negotiations, unions will brief workers about the progress. Union branch chairman will meet workers at the Mine Club or Nchanga Stadium near KCM at a certain hour for about five or ten minutes. Everyone who is not on shift will assemble. Union will tell us management cannot meet your demands. We will respond, "Why not?" Miners will yell: "The company is making so much money, copper prices are high, production is up, you go back, not to beg but to tell management that we are not going to work until they agree to our percentage." We call these guys "cowards" and throw stones at them, I tell you. They will run for their lives. Strike happens because of mob psychology. No leadership or coordination. Like brush fire. When someone said, "Why should we suffer like this?" people will respond by saying, "Let's go home." It's spontaneous. We miners are very clever. If I was at the forefront, I

would not take the lead here in Nchanga, but I would take my misbehavior to Chililabombwe where I wouldn't be recognized easily.[57]

Similarly at NFCA, a unionist reported:

> You can hear it on the [company] bus. Workers speak and behave differently on the eve of a strike. Someone will stand up and say to other workers "How can we beat them this time? Why are we still paid so little?" Another will rise up from the other side of the bus, announcing, "Next time I will break this or that machine or tool." . . . Sometimes someone would deliberately lie and say he heard the other department would be on strike, and that department would go slow, so that other department would follow too. Each time the leaders are different, and their supporters are based on the networks of friends or neighbors or workshops. . . . When people started rioting, the spouses of the miners also came, together with unemployed youngsters from the compound who intended to steal from the plant.[58]

In these mining communities where most families' livelihoods and communities' small businesses were dependent on miners' income, everyone had a direct or indirect interest in the annual salary increment negotiations. Explaining to me why casual workers, the unemployed, and thugs all seemed to take part in miners' strike by rioting and roaming the streets, a miner said:

> The reason is simple: they say the miners are those who sustain everyone. If miners don't get paid properly, all the businesses suffer. For the street kids and vendors, the miners who are paid will spend in taverns and shops or give something to the kids or the needy. In Zambia, we have a beer called *chibuku*, we always buy and share with everyone when we have extra money. If I don't get enough, I will only restrict my money to my family. So in a strike, my friends, especially those who don't have work, will help because even if they were caught, they would have nothing to lose. But if workers were caught they would be fired and disciplined because strike is illegal. . . . The mine police are also suffering, because they are also mine employees. They are from the local communities and they are sympathetic too.[59]

Yet, lurking beneath the resemblance of communal solidarity was the common occurrence of violence, looting, and attacks targeting miners who were formally employed. A veteran KCM underground miner who belonged to the category of essential workers recalled the thuggish behavior of some of the casual workers and unemployed against him during strikes:

> Companies use ambulances to transport essential workers, hoping that the crowd would not stop an ambulance. But people know they are transporting workers and would stop them and drag workers out to stop them from go-

> ing to work. Most of the underground jobs these days are casuals. They may work up to three months or more without being paid. Contractors dock their salaries and divert the money for their own projects, like building their own houses, and pay casuals only one month of salary instead of three. When there is a strike, they are hungry and angry. They don't care who they are striking against.[60]

In 2009, a three-day strike broke out again at KCM, involving several thousand workers. Informal and unemployed workers in the compounds around KCM were at the forefront of the disturbance outside the mines and especially in inflicting damage on the Indian expatriate residences and in looting the mealie meal center run by the unions. According to a mechanical fitter in the engineering department of Nchanga mine who witnessed it, "While the unemployed roamed around town in a mob psychology, chanting 'The Indians must go' and 'We want money, we are not slaves'; current workers chanted in Bemba, 'No increment, no work'; 'If a miner is not there, everyone is not making it,' which is a soccer cheering song; and 'We are going to start the noise, and you will be very surprised.' Police used tear gas several times to disperse crowds."[61]

A unionist at NFCA offered me his analysis of divergent interests within the Chambishi mining community. Showing me the evidence that casual workers were behind an abortive strike, he pointed to the spelling and grammatical mistakes in a flyer posted in the compounds calling for a strike:

> This was written by casuals, those with little education. Casuals have nothing to lose. Permanent and older workers are more moderate, some of them are thinking about retirement. Younger contract workers compare the salary here with that in Lumwana and think they should get K6 million and not K2 million. They block people from going to work and drag people from the mine. Unions are not interested in mobilizing or destroying properties. We see company properties as properties for our children. We want peace and harmony with the companies.[62]

In a group interview with casuals employed by NFCA, people talked at length about the difficulty of making ends meet when they earned only K800 and had to pay K350 for rent, leaving K450 for everything else.[63] When they were unemployed, they sought loans from friends or found piecework by knocking on doors of township residents, offering services such as cutting grass or cleaning cars. Their kids might have to stop going to school and go to sleep on empty stomachs or eat one meal a day. Sometimes they had to send their wives and children to their in-laws when landlords evict them for nonpayment of rent. Then they distinguished themselves, the casuals, from the unemployed, explaining:

> We did not join [the strike] because we were fearful of losing our jobs. We were forced to cool our heads, but people who joined were angry and were not thinking far. . . . During the strike right after the election in 2011, miners went amok. The police were all over the place. People without jobs, former casuals and those who have been sacked, gathered in the pubs, getting angry and drunk. They joined in the strike screaming and shouting, holding signs saying, "No casualization," "More money in the pocket," "No Mr. Cheng," "No Mr. Chanda" [names of the HR managers].[64]

These firsthand accounts revealed that what transpired during strikes and unrest was not cross-class alliance or coordinated mobilization among the casuals, unemployed youth, mine workers, and residents of the mining communities. Their collective participation in wildcat strikes resulted as much from fear and intimidation inflicted by the most disgruntled people in the mining townships as from a confluence of diverse interests. Looting and violence were targeted as often toward township residents and workers as against the mining companies. This situation was not unique to Zambian mines but was similar to that discovered in the deadly Marikana strikes in South Africa in 2012. The segmentation of the workforce along residential and employment status and ethnic lines led to a situation where violence was "a means of overcoming worker fragmentation and enforcing and maintaining 'solidarity.'"[65]

Although companies and miners alike maintained that strikes exerted real pressure on management, people realized that the power of today's strikes was but a shadow of the past. The breakup of ZCCM into different individual companies also decimated the collective power of the miners once unified under one roof on the Copperbelt. Today, one company's strike did not affect other companies, as conditions of service varied across them. It was no wonder, then, that HR managers from all the major mines concurred that strikes today were not as powerful as those in the past. These strikes were "manageable," according to one manager at NFCA, because they were "about pay only, nothing fundamental." And a KCM manager remarked:

> Strikes have always been here. Usually they come around when negotiations are going on. The miners do that to put pressure on management. Since privatization, strikes happen every two years or so. The guys would stop everyone from working, KCM workers and contractors' workers. . . . Overall, strikes did not affect our production. Strikes under ZCCM were more powerful: they paralyzed the Copperbelt and the nation because ZCCM ran so many businesses. Today, one mine strikes, but the others are not affected. Also, during ZCCM there was only one union; today the unions are split and there is less unity.[66]

Precarious Entrepreneurship and the Culture of Loans

As wildcat strikes and thefts carried extraordinary and tangible risks, many miners preferred trying their hands at a seemingly lesser kind of risky venture—entrepreneurship.[67] The permanence of precarious employment compelled them to adjust their mindset from one seeking security and long-term stability to one of risk taking and short-term interests. Hanging on to their current jobs as best they can, many were actively preparing for an eventual or imminent exit. Since about five years ago, the most important function of the unions, other than representing their members at the annual collective bargaining table, has been to arrange microloans between their members and banks such as Bayport, Barclays, and Finance Bank. The interest rate, around 17–20 percent, was usually a few points lower than the market rate, and the repayment period was one to two years, depending on the length of workers' employment contracts. The mining companies facilitated these loans by setting up an automatic deduction system for the banks to collect monthly repayment from workers' paychecks. Human resources managers and the unions reported that more than 90 percent of the workforce applied for at least one loan. While yielding to workers' demands, unionists and management alike were concerned that many workers squandered their loans on drinking, womanizing, and buying secondhand cars, which created problems of marital disputes, absenteeism, and low productivity. When a new HR manager took office at NFCA, she told me her first urgent task was to limit the number of loans workers could obtain through payroll. A considerable number of workers were getting zero take-home pay after all the deductions, leaving them with little motivation to even show up for work.

When I visited miners in the compound, I was always greeted by a ubiquitous and incongruous sight: a private car would be parked outside a makeshift mud house whose flimsy roof was precariously held in place only by rocks or bags of sand. On a Saturday afternoon when the whole mining compound population congregated in the stadium to watch a local soccer match, the roads outside resembled an exhibition ground for a jam-packed secondhand car show. I was with a shop steward nicknamed "CNN" who had worked underground at Nchanga for twenty years. I was puzzled by the large number of private cars in a poverty-stricken compound. He grumbled, "People think in the short term, immediate fun. They take loans out just to buy cars."[68]

CNN had seen it all, having worked under various corporate regimes, from ZCCM to Anglo American and then Vedanta. But his passion and major source of income today was not his job at the mine but his television repair shop (hence his nickname). It was a small space he had rented for the past thirteen years from the now-privatized racket club, where old VHS machines piled up on the shelves and he was completely surrounded with television sets dropped off by his customers. His take-home salary was about K1million ($200) per month, but his repair business brought him K3million ($600) monthly. He deplored that the mindset of the miners today was very different from in the past. There was no commitment to mining and no illusion about depending on the mines or the government.

Older miners like him who had benefited from the sale of ZCCM housing and had become property owners enjoyed a definite edge in their entrepreneurial adventure over younger miners who suffered from the double jeopardy of being propertyless and moneyless. In Chambishi township, Victor Mulesu, a forty-five-year-old mechanic at NFCA, together with ten business partners, formed and registered a company in March 2008. Some were his coworkers, others came from other mines, but each held shares in the company by contributing K1 million. Taking advantage of the 2006 Citizens Economic Empowerment, which granted small and medium-size businesses tax holidays, small loans of K200 million, and consulting, the company was a member of the Zambian Chamber of Small and Medium Business Association, for which Victor served as chairman. He told me in Chambishi alone, there were nineteen member companies, many of which were owned by miners and run by them part-time. Theirs was a registered contractor providing the mines with engineering services, such as building pipelines, adjusting machinery, and supplying and repairing front loaders and mining materials. Other commonplace entrepreneurial ventures included neighborhood restaurants and chicken runs.[69]

Not all younger and propertyless workers spent their loans on cars and drinking. Some had entrepreneurial dreams but far fewer resources to realize them. Chilando, in his early forties, eloquently summed up the changing worldview of the Zambian working class among the young: “We are moving from a culture of employment to a culture of entrepreneurship.” As a second-generation miner, his personal experience was emblematic of the radical change in the conditions and mentality of Zambian labor. His father worked as an underground miner at Luanshya and returned to his birth village to take up farming after his retirement in 1979, a typical arrangement for the previous generation of miners. Chilando had no village to retreat to because he was born in the city. He joined ZCCM in 1996 at the age of twenty-four as an underground workman, and just missed the boat when housing was sold to sitting tenants. Articulate and thoughtful, he recalled:

> I was walking through town one day and I stumbled upon Chiluba’s visit to Nchanga to announce privatization of the mines and the sale of housing to

> sitting tenants. He was politicking and people were clapping. People had never expected to own their own homes. Being a grade 8 [lowest grade] worker and single, I was at the end of the long waiting list. After they sold all the houses, I realized I was left with no house. . . . Chiluba promised a rosy future which was never realized. But today we do not see any future. . . . We are moving from a culture of employment to a culture of entrepreneurship. We are on our own. There is no security in jobs. I am using my K800,000 loan to build a house. Once you can settle your family and do not have to pay rent, you can be self-employed. I will venture to set up my business after I build my house. The loans we have now are good for moving forward because they help us build our own homes, buy cars and invest in business opportunities.[70]

But according to several unionists, only a minority of miners used the loans to build their homes. Many became mired in debt traps once they overspent their initial loans and had to borrow from loan sharks ("shylocks") who charged a 50 percent monthly interest rate. "Those who are building houses are the responsible ones, I'd say only 10 percent of the workers. Younger and less-educated workers have less financial discipline. Most of them just spend the money. You can hear people talk about these. Around 20–30 percent are in debt traps, that is, they go to the shylocks, who charge 50 percent interest rate to be repaid in a month. When they cannot repay, they go to another shylock. These put a lot of pressure on the unions because whatever increments we get for them, it's not enough to cover their loans."[71]

This culture of loans was not unique to Zambian miners. In the wake of the deadly Marikana strike at the Lonmin platinum mine that claimed forty-four lives in South Africa in 2012, reports revealed that unsecured and short-term loans had become a thriving industry with an entrenched clientele among low-wage casual workers demanding higher wages. A key player in this microfinance market turned out to be a bank run by the Chamber of Mines and the National Union of Mineworkers. A pay slip or proof of employment was all it took to secure a loan of up to 50 percent of their net pay, with a 25 percent monthly interest rate. Some lenders forced clients to sign garnishee orders allowing creditors to claim debt repayments directly from workers' wages. Low wages drove some to take out two or three loans each month, setting up a vicious cycle that would become a debt spiral when they turned to unregulated lenders in order to service debt payments.[72]

Counteragency and Capacity

My fieldwork among miners and their communities led me to a sobering conclusion. Looking from the grassroots of Africa, the impressive influx of foreign investment and economic growth figures—for example, Zambia's GDP grew an average 7 percent a year from 2006 to 2013—that had inspired the rhetoric of a "rising" Africa coexisted incongruously with persistent frustration, precarious employment, and popular anger about government incapacity and capital greed. The layered historical experiences of the mining communities have informed Zambians of a set of realized and realizable standards, with elements drawn from the colonial, postindependence, and nationalized mining regimes. Against these standards, the current cast of foreign owners had all to various degrees come up short in terms of employment conditions, community and social infrastructure building, skill training, and technical standards of production.

Grievances and hardships spurred the spirit and acts of resistance. Of the various forms of countermovements—wildcat strikes, individual and organized theft, transnational and local campaigns against multinationals—only workers' and communities' local and direct actions had led to tangible salary increments and better terms of employment, especially when the government sided with them publicly, as when the Patriotic Front first came to power (see chapter 3). Yet, the working class on the Copperbelt, the most organized in the country, had been fractured in the wake of decades of economic restructuring. Residential patterns, income levels, living standards, and life chances divided older and permanent workers from younger contract and casual workers. Their joining together in wildcat strikes belied intraclass intimidation, conflict, and violence, despite a minimal level of communal interests in pressuring the mining companies to pay higher salaries to the miners. In sharp contrast to the pre-privatization period, when strikes would engulf the entire Copperbelt, today's strikes never transcended the boundary of any single mining company.

In ordinary times, the lack of employment security prompted many to turn to short-term, petty (if also risky) entrepreneurship. Enabled in recent years by the availability of bank microloans brokered by the unions, the ideology of entrepreneurship was gaining ground in many African countries, enticing workers, no matter how poor and indebted, to see their future in the illusive light of the self-made businessman. Individual strategies of survival seemed to prevail over collective struggles, casting a long shadow over the sustainability and the capacity of grassroots countermovements to embed capital.

The distinction between Chinese state capital and global private capital dissolves in terms of the frequency, scale, and modes of countermovements from below. Chinese state investment had not incited more protests or resistance than global private capital in Zambia. This finding is consistent with that of Darin Christensen's continent-wide analysis of more than 1,100 protests against mining projects launched between 1997 and 2010. Integrating large datasets on commercial mining projects, protests, strikes, and social conflict events in those areas, he found that "although investment from China has increased recently, Chinese companies still own a relatively small share (less than three percent) of all mining projects in Africa. . . . Chinese-owned mines do not provoke more protest than mines owned by investors from OECD."[73]

To the local mining communities, Chinese state investment had made visible improvements to communal facilities and infrastructure in the past fifteen years. But compared to past capital—colonial private or Zambian state-owned—Chinese state capital showed the same disregard for the training and safety of labor as did other foreign investors. Based on the findings of this and previous chapters, it seems that countermovements from below alone are not likely to be sustainable or adequate for subordinating and channeling Chinese state capital to realize popular aspirations. A more effective counteragency can be forged by political synergy between workers as citizens with votes and the Zambian state as the gatekeeper to the encompassing interests sought by Chinese state capital. A glimmer of this political synergy emerged in the wake of the Patriotic Front's ascendance to power in 2011 (in the mining sector, at least). Yet, leveraging and sustaining it requires a level of conscious strategy by both state and society that has remained elusive.

6

Eventful Global China

In today's global capitalist economy, where foreign direct investment is glorified as a most effective vehicle of development, outbound Chinese state investment has singularly generated intense fear of colonialism. Famously, for instance, during her visit to Zambia in 2011, Hillary Clinton, then the secretary of state of the United States, assailed the Chinese for doing what past colonialists had done: "come in, take out natural resources, pay off leaders, and leave."[1] Similarly, the veteran *New York Times* journalist Howard French, now on the faculty of Columbia's School of Journalism, titled his book on Chinese migrants in Africa *China's Second Continent: How a Million Migrants Are Building a New Empire in Africa*. He claimed that China is building an empire in Africa on the evidence that a million Chinese migrants now populate the continent, working, trading, and setting up shops, factories, and restaurants. Yet, he also noted that, compared to historical precedents of colonization, Chinese migration to Africa shares nothing with Japan's militarism in Manchuria; he was struck by how haphazard and uncoordinated the current Chinese emigration to Africa is. He saw little hint of China's having a grand or even deliberate scheme, unlike Portugal's settlements in Mozambique in the early sixteenth century.[2] Considering these differences, one wonders what justifies his invocation of "empire."

Rhetorical deployments by politicians, journalists, and academics of a Chinese "scramble for Africa," "empire" building, "colonialism," and "hegemony" may help score political points, attract public attention, or sell books. But are they useful for gauging and understanding reality? The tendency to project China as an empire may be related to the renewed currency of "empire" as a way of conceptualizing American power in the wake of U.S. military intervention in Afghanistan, Iraq, and other parts of the Middle East. Chalmers John-son's *Blowback: The Cost and Consequences of the American Empire* (2000) and Michael Mann's *Incoherent Empire* (2003) are two prominent examples of a growing body of critical scholarship on American imperialist projects around the world. Empire provides a readily available and sensitizing—if also sensationalist—contemporary lens through which to view China's ambition. But unlike writings on American empire, the applications to China are not grounded in empirical evidence.

In this book, I have avoided engaging the vast literature on empire, formal or informal, or colonialism, classical or neo, for several reasons. First, these concepts refer to regimes of geospatial power consolidated over centuries. Yet, the wave of Chinese outbound investment in Africa and elsewhere began only a decade or so ago. Any talk or denial of empire and colonialism are by definition mere projections and conjectures about the future. Second, there is scant evidence to suggest that China has both the will and the power to become an empire, two key elements of imperialism defined as "a form of political control of foreign lands that does not necessarily entail conquest, occupation, and permanent foreign rule," but which "presupposes the will and ability of an imperial center to define as imperial its own national interests and enforce them worldwide in the anarchy of the international system."[3] Third, the vast literature on empire is itself riddled with conceptual ambiguity. The imperial heuristics—ranging from formal to informal empires and categories in between, entailing various degrees of territoriality, sovereignty, disenfranchisement, and influence—often mean different things to different people. As Philip Stern writes, "Formal power was layered and pluralistic, consistently riddled with forces and modes of rule that the state could not control; likewise, what historians have conceptualized as 'informal' rarely felt 'informal' to those over whom they ruled, or even to those that did the ruling."[4] Taxonomy can be counterproductive when it freezes an unfolding and dynamic reality into a predetermined straitjacket tailored for the past. Therefore, rather than hastily applying an ill-defined concept purporting to be a historical formation that is out of proportion to the contemporary phenomenon at hand, a more productive strategy is to recognize outbound state investment from China for what it is—a type of capital.

The question driving the research and writing of this book is: Is Chinese state capital a different kind of capital? Leveraging the empirical plurality of investors in Zambia, I theorized two forms of capital, Chinese state capital and global private capital, for comparison. Like all ideal types, these are analytical, hypothetical, abstract constructs used as methodological devices to guide and structure my comparative study. As Weber explained, an ideal type is formed by "one-sided accentuation of one or more points of view and by the synthesis of a great many diffuse, discrete, more or less present and occasionally absent, concrete individual phenomena. In its conceptual purity, this mental construct . . . cannot be found empirically anywhere in reality."[5] With my interest in "state capital" from China, my comparison in mining has all along accentuated the role of state-defined interests as opposed to the profit-maximizing interest of private companies in generating the differences between the Chinese state mining company and the two global private mining companies. Although I noted some within-type differences between KCM and MCM, the two instances of the latter category, they are of secondary importance for my primary interest in differentiating the underlying logic of the two types of capital, especially that of state capital. This conclusion will first recapitulate the major empirical findings of the China in Zambia story—the unique power and perils of Chinese state capital for Zambia. I then relate this study's arguments about the contested and uneven impacts of Chinese state capital in Zambia to other scholars' findings regarding Chinese state investment in other parts of Africa and beyond. In the final section, I offer some tentative theoretical reflections on the varieties of capital and global China.

The China in Zambia Story

The story of China in Zambia is one stance among many that provide some initial answers to the puzzle of the peculiarity of Chinese state capital. Conceptualizing capital not as sheer amount of quantifiable sums of investment but as relational and contested processes of valorization, I conducted ethnographic fieldwork in copper mines and construction sites owned and run by Chinese state firms and global private companies, comparing their imperatives of accumulation, production organization, and managerial ethos. The overall finding is that Chinese state capital has distinctive interests, organization, and ethos, but Beijing's ambitions do not dictate corporate behavior and their local effects. Equally important codeterminants of the behavior and impacts of Chinese state capital include a host of factors outside of Beijing's control: corporate learning and improvisation in response to the host country's politics, developmental agenda, and societal pressures, as well as global industrial norms and policy consequences of global financial institutions.

This ethnographic study captures this ensemble of forces since the late 1990s, when Chinese state capital investing in mining nonferrous metals, together with mining companies from Europe, Canada, India, South Africa, and Brazil, arrived in Zambia. The African copper giant was then under the gun of the IMF, the World Bank, and Western donors to privatize its nationalized mines. China invested state capital to realize state-defined interests in

Zambia, which included securing a supply of copper ore at the source (for national resource security), expanding political influence in Africa (for strategic and diplomatic interests), and profit optimization and market expansion (for economic sustainability of state firms). This encompassing set of imperatives contrasts with the one-dimensional driver of profit maximization, or shareholder-value maximization sought by global private firms. The irreducibility of Chinese state interests to financial profit was an abiding characteristic that, instead of making Chinese state capital more dominant or "imperialistic," compelled it to be more embedded in and willing to negotiate with the host country's government and labor. On the other hand, globally mobile firms were less concessionary toward Zambian interests, because the valorization of finance- and profit-driven capital was much less dependent on any nation-state and wage labor.

In this book, I have documented instances revealing how Chinese state capital's distinct encompassing logic of accumulation, under the political and electoral pressure of resource nationalism in Zambia, could lead to Chinese accommodation of Zambian state preferences. While global mining companies refused to assist with Zambia's strategy of value addition, the Chinese state mining company not only built a special economic zone but also agreed to add an extra zone at the request of Zambia's government. While private global investors protested the imposition of the windfall profit tax, the Chinese state mining company complied. When the global financial crisis triggered massive layoffs by foreign private mining companies, the Chinese state mining company expanded its portfolio and refrained from retrenching labor. As Chinese state capital was driven by state-defined objectives inclusive of, but irreducible to, profits, it was more "sticky" and place-bound than global private capital, opening more room for bargaining by the Zambian state and by labor. As the comparison between copper and construction shows, however, Zambian interests, vision, and capacity varied across sectors, generating uneven pressures on Chinese state capital and producing different developmental impacts on Zambia. In the economically and politically important copper industry, the Zambian political elite and government were under joint pressure from organized labor, the electorate, and popular sentiment supportive of resource nationalism to realize the long-term national developmental goal of value addition and the collection of more economic returns from foreign investors. This political synergy between state and society channeled Chinese state capital in mining to serve developmental purposes and to concede improvements in Zambian labor conditions. In the nonstrategic and informalized construction sector, there was less pressure from the general public and labor to discipline political elites, whose interests in their personal political careers and rent seeking had found a ready partner with Chinese state capital's encompassing imperatives of making profits and gaining political influence. State-backed concessional loans and state-owned construction companies were able to take advantage of the lack of capacity and political will in this sector, posing the threat of recreating Zambia's indebtedness and political dependence. In a nutshell, the state logic of accumulation was different from the market logic of accumulation, offering unique potential and perils to Zambian development.

The realization of capital imperatives, be it profit, political influence, or raw material access, depends on a second moment of capital: managing the organization of human labor necessary for extracting both ore and surplus value. Just as they shared an interest in profit generation, the two types of capital operated regimes of labor that displayed similarities rooted in international and industrywide tendencies. Decades of structural adjustment programs imposed by Western financial institutions and donors had created common and liberalized conditions (e.g., permissive labor law, poverty wage levels, fragmented unionism, and de facto criminalization of strikes) for Chinese state and global private investors alike across mining and construction. Global standardization of production technology contributed to the convergence of certain labor practices, such as subcontracting and casualization. Without effective resistance from labor and the Zambian government, both types of capital were relentless exploiters of labor, illustrated by the uniformly abysmal conditions of labor in the construction sector. In mining, however, institutional and technological similarities in production belied significant differences arising from the distinct imperatives of accumulation of the two types of investments. Copper ore had exchange value *and* use value for Chinese state capital, whereas the ore had only exchange value for global private capital. The former ran the mine with a "producer's mentality," putting a premium on long-term stability of production; the latter's "trader's mentality" reacted to price fluctuations with labor retrenchment, extensive subcontracting, and other cost-cutting measures. In the production-driven Chinese state mine, the crucible of labor struggle was exploitation (low wage rates), whereas in the finance-driven global private mines it centered on exclusion (layoffs and mass casualization). Miners' strikes in the Chinese state mine were more effective in obtaining concessions than those at global private mines, because Chinese state managers were more sensitive to their political backlash. A clear example was the granting of permanent employment to the subcontractor's workforce in the Chinese state mining company, an exception to the industry norm of casual employment for outsourced labor. In construction, the nature of project-based, short-term production, combined with the weak capacity of unorganized and informalized labor, had led to dismal working conditions across both types of capital.

Beyond accumulation and production, Chinese state capital was also animated by a distinctive managerial ethos, the third moment of capital. Compared to the more individualistic and careerist orientation of expatriate managers working for global private capital, Chinese state managers' everyday lives were organized by the principle of collective asceticism, or what the Chinese called "eating bitterness." Chinese state companies imposed more organizational control and stricter behavioral and moral discipline on their managers, enforced by periodic visits by Communist Party cadres from the corporate headquarters, than did their global private counterparts. The distinctive Chinese ethos was embodied in the ubiquitous institution of the "China House," the collective residential compound run by any Chinese-invested company but most meticulously regulated in state-owned ones. The peculiar Chinese way of life had become the subject of a widespread rumor that Chinese personnel were convict labor sent by the state. This moral condemnation reinforced in the eyes of expatriate Chinese the validity of the Chinese state's claim of Chinese humiliation and victimization by foreigners, leading them to draw nationalistic and moral boundaries based on eating bitterness, obfuscating their experience of exploitation by state capital. On the other hand, African cultural critique about the Chinese overproductive way of life inspired Chinese managers to expect and demand better terms of service and envision alternative careers, undermining state control over its foot soldiers. Gradually, as a minority of these managers accrued credentials and experience in a global, rather than a strictly Chinese, labor market, collective asceticism began to crack. Just as the imperatives and labor regimes of Chinese state capital were susceptible to changes and pressures emanating from local Zambian society and international political economy, its ethos was also neither carved in stone nor under total remote control by Beijing.

In short, all three moments of capital were subject to political contestation or countermovements from above (e.g., state regulations and elite bargaining) or from below (e.g., strikes, communal riots, and popular rumor). Zambia, in particular, despite entrenched poverty and underdevelopment, boasts a long history of resistance. The Zambian people's century-long experience of copper mining under different regimes of mine ownership—from colonial to nationalization to today's foreign multinationals—inspired an amalgamated repertoire of moral and material standards of development. In this vision, development meant long-term, place-based skills-, people-, and public-oriented capital investment under strong regulatory and redistributive interventions by the government. People have seen some of these elements realized in different periods under different mine ownerships. Livelihood improvements and degradation came and went with the volatility of copper prices and national debts. Popular struggles for development continued, evident in the many wildcat strikes with participation by the mining communities that had disrupted production in all the major mines since privatization. But fragmentation of working-class interests along generational, residential, and "company and contract" lines also produced intraclass conflicts, even violence, during these episodes of strikes and community riots. Transnational activism against the mining companies owned by Chinese state capital and global private capital did not have much effective and grounded leverage against the state or capital, and had not produced concrete results in changing corporate behavior in Zambia. In the meantime, the availability of microloans for workers with employment contracts channeled their energy to individualistic pursuits of petty entrepreneurialism or immediate consumption.

If countermovements from below seemed to be too precarious and episodic to substantially change the balance of power between foreign capital (of either variety), on the one hand, and Zambian labor and communities, on the other, the Zambian state had proven, no matter how fleetingly, its potential to be a counteragent to capital, especially to Chinese state capital. The critical determinant was whether popular mandate could compel the Zambian state to engage foreign capital for possible developmental transformation. Since Chinese state capital's encompassing imperatives cannot be fully delivered by the market but have to come from a sovereign state (such as source access to raw materials and political influence), it has to depend on the cooperation and consent of the government of the country where it operates. Therefore, the argument of this book is emphatically not whether the Zambian state is a "developmental state" or not. The latter explains development in terms of a state's bureaucratic capacity or organizational autonomy from and connections to ("embedded autonomy") capital. My findings here indicate that it is politics—and, more precisely, a political synergy between state and society—not bureaucracy or technocracy, that is the key to leveraging Chinese state capital for development.

Finally, it is important to state explicitly what this book does *not* argue. I am not arguing that Chinese state capital in copper mining will definitely bring about value addition, industrialization, or development in Zambia. Between 2008 and 2014, I saw the Zambia–China Cooperation Zone grow from a mere signpost along the Kitwe–Chingola road to a sleek-looking industrial park equipped with a state-of-the-art smelter, well-paved roads, ample street lighting, and modern factory premises. Twenty or so enterprises, many from China, moved in, while CNMC, the parent company of NFCA, was still promoting the zone to attract more investors. But whether these investors can fulfill the Zambian dream of copper manufacturing will also depend on international and African market demands and competition, Chinese economic boom and bust, and other factors beyond Chinese state capital's control. Second, this study does not argue that because of the accommodations it made to Zambian interests, China has successfully achieved its encompassing set of goals: profit optimization, political influence, and access to ore. Rather, the profit margin will continue to fluctuate with copper prices; political influence is particularly elusive and difficult to ascertain, and can evaporate in the aftermath of an election; and sovereign rights can always trump a contractual concession of mineral rights.

Chinese State Investment beyond Zambia

We have seen in this book that Chinese state capital had to adapt to local conditions in its attempt to realize its encompassing and multidimensional agenda, more so than global private capital, whose single-minded profit motive makes it more mobile. The power of Chinese state capital cannot be taken for granted and certainly cannot be inferred directly from the sheer amount of investment in Zambia. Several recent studies on Chinese state investment in other resource sectors in Africa concur with my finding that Chinese state power has been grossly exaggerated by the global discourse of a "Chinese scramble for Africa." For instance, Deborah Brautigam's continent-wide fact-checking research on Chinese investment in African agriculture reveals an astounding amount of sloppy and erroneous journalistic reporting about a supposed Chinese land grab and the country's imperialist ambitions, much of which is based on rumors, bogus statistics, and unverified citations. Leading global media outlets, including the *Financial Times*, the *Guardian*, and the *Economist*, prominent think tanks such as the Center for Strategic and International Studies, and international NGOs such as the International Land Coalition all have produced reports and databases laced with fundamental errors. These materials have been picked up, circulated, and cited widely on the Internet, and they pass for credible knowledge. In reality, when Brautigam tracked down some of the most prominent existing Chinese investment projects, including rubber plantations in Cameroon, a sugar complex in Madagascar, and a cocoa-processing plant in Ghana, she found that many "failed because of poor infrastructure, coups, contentious elections, even civil wars."[6]

Other scholars who have done solid, in-depth research on the ground likewise presented a much more complex reality about China in Africa than is usually conveyed by the rhetoric of Chinese colonialism. In addition to elite and popular political pressures, outbound Chinese state investors have been constrained by the market structure of different global resource sectors, outcompeted by other foreign investors, and undermined by their own blunders and lack of overseas experience. Debunking what the Western media has anxiously touted as the "Angola model" (namely, that China extends "oil-backed loans" to Angola, exchanging resources for infrastructure), Lucy Corkin brought to light the hidden negotiating capacity of the Angolan elite in dealing with China.[7] From pricing its oil shipments to China according to international spot prices rather than a lower fixed price proposed by China, to thwarting Chinese national oil companies' access to oil equity in Angolan oil fields by negotiating for a higher than usual local content requirement in Chinese concessional loans, and consciously diversifying its international credit lines from Europe, Brazil, and Canada, the Angolan political elite were far from hapless or helpless. Autocratic and corrupt, but seasoned by decades of involvement in a proxy Cold War and buoyed by peak oil, the Angolan political elite's agency had to be resurrected in any discussion about China in Angola.

In Sudan, Chinese oil companies had to navigate a much more treacherous political terrain than in Angola, and to negotiate with, and even submit to, shrewd and unyielding politicians from both Sudan and South Sudan.[8] From the beginning, Khartoum was in the driver's seat, forcing out American oil interests and imposing a joint venture between China National Petroleum Corporation (CNPC) and other foreign investors from Malaysia, Canada, and later India in developing Sudanese oil fields. Like CNMC in Zambia, CNPC ventured overseas in the mid-1990s with little international managerial experience and relatively backward technological capacity. They were "babes in the woods" in the eyes of Western oil executives and were using Sudan as a training ground for further global expansion. The steep learning curve they had to ascend involved surviving civil war–related kidnappings and killings of Chinese personnel, withstanding armed attacks by local communities that did not benefit from oil revenues, and negotiating with the new South Sudanese regime to keep pipelines flowing from oil fields in the south to the Red Sea in the north. The decision by the government in Juba to shut down oil production in South Sudan in 2012 was evidence of how vulnerable Chinese state investment can turn out to be in Africa. Through all these, as CNPC expanded beyond Sudan, it also gradually learned to reform its security practices and expanded its political relations beyond engaging the host government to include opposition parties, religious leaders, national media, and local communities.

Looking further afield, recent comparative studies of Chinese state investment in Latin America's mining and oil sectors underscore how China's overseas economic statecraft was deeply constrained by the institutional structures of different industries and resource markets and the regulatory capacity of the respective host countries.[9] That is also why in their overview of China's overseas resources quests, from oil and natural gas to iron ore, copper, and food, Economy and Levi concluded judiciously that there was no single or guaranteed outcome but many different resource stories. China has not been able to alter the basic structure of the world market, for instance for oil, which is still traded in open markets. The story of iron ore carries yet another important lesson. "Large Chinese steel makers, aided by the government in attempting to negotiate collectively, hoped to use the old structure of price negotiations to exercise power and get lower prices. But a combination of two other Chinese-driven factors—the emergence of large numbers of smaller producers, and a volatile price environment that complicated negotiations—ultimately helped push the system in precisely the opposite direction," that is, spot market pricing of iron ore.[10]

The lesson that there are many different resource stories emerging from China's resource hunt abroad should be taken seriously. It warns against the facile resort to sweeping and grandiose generalization in terms of hegemony, empire, and neocolonialism. It calls for fine-grained, grounded empirical and comparative research.

Varieties of Capital

Although state capital from China is the subject of this book, state capital is a global rather than a uniquely Chinese phenomenon. Besides China, countries including France, Italy, Saudi Arabia, Russia, Brazil, India, Malaysia, and South Africa all have robust SOEs in strategic sectors.[11] A World Bank report on the global mining industry states that "state control of total global mine production has varied over the years and from metal to metal between 40 to 60 percent until the collapse of the Soviet Union . . . although state control globally has decreased considerably since . . . reaching 24 percent in 2008."[12] SOEs have a 34 percent share in the crude petroleum and natural gas extraction sector, and a 35 percent share in coal and lignite mining.[13] Another survey found that more than 10 percent of the world's largest firms are state owned. They come from thirty-seven different countries and their joint sales amounted to $3.6 trillion in 2011, comparable to the GDP of Germany.[14] As I have done in this book, international business scholars have documented how SOEs' strategic intent in resource acquisition abroad produces distinct corporate practices. For instance, in the global upstream petroleum industry, SOEs, compared to non-SOEs, are more interested in exploration for long-term resource security than in exploitation for short-term needs.[15] But unlike my analysis here, the business literature's focus on the firm leaves out any broader analysis of labor, state, and international politics.

Thinking theoretically and beyond the empirical instance of Chinese state capital, a case can be made that, compared to private capital serving private shareholders' profit interests, state capital's goals and practices are more subject to public authorities and political deliberation, opening up new avenues for contesting and subordinating them. If private capital is normalized under capitalism and fetishized as an agentless, self-regulating market force, state capital has all the institutional encumbrances that make its agency visible. Theorizing state capital calls for comparative research on how different national political systems (democratic or authoritarian) affect the constitution, aggregation, and articulation of distinct state interests, and how corporate governance and managerial ethos may differ across nations, leading to distinct practices and impacts at home and abroad.

Historically, SOEs were a hallmark institution of state socialism, infamous for their soft budget constraints, economic inefficiency, and bloated bureaucracies. But, as this study has shown, profit generation may not be SOEs' raison d'être; they were and are the state's vehicles for fulfilling an array of goals, both domestic (e.g., employment creation, asset growth, maintaining social and political control) and international (e.g., acquisition of energy and resources, scaling the international corporate league tables, enhancing a country's international reputation). Just as soft budget constraints in the past implied "inconsistency in objectives and could induce a sort of schizophrenia, causing the state to vacillate and issue conflicting orders,"[16] outbound state capital today has to juggle a set of sometimes contradictory and shifting policy mandates. In the case of China, it has to do so under a hardened budget constraint and in an international competitive environment. Instead of dismissing it as an oddity of economic irrationality, sociological analysis of today's state capital should grapple with its persistence and rationality, both formal and substantive, in a neoliberal economic order.

The "state versus private" conceptual divide is just one way of thinking about and theorizing existing varieties of capital. Whereas I have been focusing on Zambia, Michael Burawoy has reconstructed Polanayi's thesis of commodification and countermovement, laying out an agenda for understanding the globally diverse experience of commodification. "Each fictitious commodity creates its own form of inequality based on precarity (for labor), indebtedness (for money) and dispossession (for nature and knowledge)."[17] In other words, industrial, land, and financial capitals forge different relations of power with workers, farmers, and debtors, whose countermovements would develop different strategies, interests, and capacities. For instance, Michael Levien has perceptively theorized the difference between land and labor struggles in India. The nature and process of land dispossession fosters a particular mix of strategies, targets, and vulnerabilities in antidispossession movements that differ not just from labor movements but also from other kinds of peasant politics. Land struggles are more state-centered, non-zero-sum, inherently cross-class, but also more fragmentary and disruptive, and less easily institutionalized through party politics.[18] Elsewhere, Greta Krippner finds distinctive claims-making strategies in the politics of credit that differ from more familiar forms of claims making based on the labor market. Comparing two major ways creditors minimize risks, she argues that "where individuals seeking access to credit are subject to creditors' attempts to gather information on borrower characteristics—especially through the use of credit scores—claimants tacitly accept creditors' own metrics of worth, reinforcing the inequality of the credit relationship. To the extent that creditors rely on collateral to secure loans, however, borrowers are potentially positioned as 'owners' and may be able to overcome some of the disadvantages associated with occupying the weaker position in an unequal relationship of exchange."[19]

In short, compared to institutional theorization of the "varieties of capitalism," theorizing the "varieties of capital" and the countermovements they spawn in different political, economic, and cultural contexts with varying consequences for society will allow us to better track the challenges and opportunities capitalism presents. I hope this study has shown that, despite originating from a national institutional order dominated by state control over personnel and finance, and despite bearing state missions and being subject to centralized institutional control, what Chinese state capital does on the ground is not determined by those path-dependent, equilibrium-prone institutional configurations among labor market, capital market, and corporate networks. Rather, state capital abroad improvises, negotiates, and transforms itself in the process of engagement with local politics and global pressures. More generally, in this age of global mobility, it is difficult to analyze capital as if it could be caged in national institutional settings with all the inertia and equilibrium assumed by the VoC mode of theorizing.

"Global China" as an Event

"China in Africa" has to be contextualized in the global (rather than national) and crisis-prone dynamic of capitalism as the "constitutive" outside of China's development. China's capitalist boom in the past three decades was partly the result of global capital's search for a spatial fix to the problem of overcapacity and falling rates of profit in core advanced economies, and partly a political decision by the Communist regime to resolve its legitimacy and economic crises at home. The boom then creates resource bottlenecks and overcapacity in China, which in turn seeks outward expansion as an investor in search of markets, profits, resources, and political influence. But does this mean, as some Marxist political economists have proposed, that Chinese capital at home and abroad has no peculiarity, and that its global impact is determined by the structural complementarity or competition between Chinese and other national economies?[20]

The findings in this book challenge this deterministic view and suggest a bigger role for politics, process, and contingency in analyzing capital and capitalism. The sheer rise of China in Africa defies any structural deterministic understanding of capitalist development. From the vantage point of the mid-1960s, it was hard to imagine that China would rival the West to become the major creditor, investor, and benefactor to Africa in the twenty-first century. At that time, Communist China was reeling from the disastrous Great Leap Forward and saw its economy stagnate as Mao unleashed the Cultural Revolution, sending the country down a decade-long path of political turmoil. In striking contrast, significant growth "episodes" occurred in a number of African countries, including Ethiopia, Kenya, South Africa, Ivory Coast, Namibia, Tanzania, and Gabon.[21] As a newborn nation, postindependence Zambia, rather than South Korea or Brazil, at that time was expected to graduate from a middle-income country to become part of the developed world on the strength of industrial growth on the Copperbelt.[22] Arrighi noted that "up to 1975, the African performance was not much worse than that of the world average. . . . It is only after 1975 that Africa experiences a true collapse—a plunge followed by continuing decline in the 1980s and 1990s."[23]

A sharp bifurcation began to take shape in the late 1970s between the deteriorating performance of sub-Saharan Africa (and Latin America) and the improving performance of East (and to a lesser extent South) Asia. Arrighi attributed this to the two world regions' precolonial and colonial legacies, which endowed them with uneven capacity to compete in the post-1975 world order. At that time, the United States successfully reversed itself from a main source of world liquidity and direct investment to become the world's main debtor nation and the largest recipient of foreign investment. East Asia's fortune since then has had to do with its surplus in labor and entrepreneurial resources, favorable conditions for Asian industrialization to satisfy U.S. demands for imports. Africa, on the other hand, for geographical and historical reasons was disadvantaged in competing for a share of U.S. demand. The "dark continent" was in no position to compete with the United States in the world financial market, and ran into balance of payment difficulties. Structural adjustment programs in the 1980s simply made things worse for Africa, compared to East Asia, where the state-led development project remained robust until the 1990s.[24]

Holding capitalism's structural tendency and historical contingency in the same plane of analysis, "China in Africa" can be conceptualized and analyzed as an "event," following William H. Sewell Jr.'s idea of "eventful capitalism." In his conception, the temporalities of capitalism are on the one hand abstract and repetitive, but on the other also restless and hypereventful:

> One can confidently predict that capitalism will expand, but it is impossible to predict the actual direction of future expansion—which seems to be governed by highly contingent and eventful logics. (Who, forty years ago, would have predicted a runaway capitalist boom in China, Internet shopping, back offices in India, an international derivatives market worth trillions of dollars?) The expansiveness of capitalism is an existing force capable of being instantiated at any given time in a number of alternative ways, just as the repetitive rhythm of capitalist business cycles can manifest itself in whatever medium of production, trade, finance, and investment is available in any historical present.[25]

As an "event," and like other historical events of capitalism—for example, the Great Depression, the collapse of Communism, the opening up of China, and the 2008 financial crisis—"China in Africa" is dialectically bound to capitalism's powerful self-reinforcing logics and its abstract temporality (as in boom-and-bust cycles, endless accumulation, and inexorable expansion). But events can also change and channel these logics and their effects in contingent ways.

What this means is that whether or not Chinese state investment, with its peculiar logic of accumulation depicted in this book, will enable African countries to break the colonial legacy of underdevelopment dependent on commodity production and to jumpstart their belated industrialization will depend on many factors beyond the volition of the Chinese state or African governments. One possible scenario is that the current crisis of overaccumulation, deindustrialization, and underdemand for labor at the global level will structurally deprive African industrialization of any market.[26] On the other hand, aggregate growth of African economies may become a new frontier for global capital, just as China was decades ago, and allow the world economy to surmount the current crisis and launch another boom.

Outbound Chinese state capital is one instance of global China. Powerful as it is, capitalism does not determine every aspect of the human condition. States, population growth, science and technology, the military, family, and religion are institutions exogenous to, and intertwined with, capitalism. In addition to state investment in foreign economies, China's global reach is taking many forms in many arenas: migration, global media networks, higher education, scientific research, multilateral regional and global credit institutions, expansion of Chinese NGOs abroad, and so forth. To understand China's global impacts in these areas, scholars will need to abandon the field's methodological nationalism, which has artificially sealed Chinese phenomena within China's geographical borders. This applies not just to topics that are intrinsically international or regional. Even subjects that may appear purely "domestic"—such as rural development, land grabs, social movements, corruption, governance, and elite politics—are seldom really so. For instance, land grabs in China have their dynamics and causes rooted in Chinese political economy, but they are part of a global wave of land dispossession afflicting Africa, Latin America, and Southeast Asia, partly caused and exacerbated by a new round of speculative investment in food and agriculture by global financial capital. Comparing, connecting, and contextualizing Chinese land grabs with those elsewhere will yield deeper and fuller understandings of the ones within China and, more important, what makes them "Chinese." Global China is an exciting "event" and an inexorable challenge not just for the world, but also for China and China scholars. I hope this book can serve as an invitation to other China researchers to essay such a paradigm shift.

APPENDIX

An Ethnographer's Odyssey: The Mundane and the Sublime of Researching China in Zambia

Like many of the Chinese managers, workers, and entrepreneurs I wrote about in this book, I embarked on my Africa journey with scant knowledge about the continent or Zambia. Incongruously and improbably, this project on one of the poorest countries in the world was conceived at the Institute for Advanced Study, Princeton, New Jersey, a scholar's ultimate sanctuary of unparalleled privilege, serenity, and isolation. In 2006, I was there as a fellow, finishing my book *Against the Law* (2007), on labor protests in China's rustbelt and sunbelt. It was a time when the first round of global journalistic frenzy about China in Africa made its way to our lunch tables. Over organic garden greens and hot entrees prepared by a Swiss chef, fellows traded gritty media stories about Chinese labor practices in the mines and construction sites in faraway Africa. I still remember what one of the fellows, Steven Feierman, a historian of Africa, said to me one day with his natural sincerity and seriousness: "Someone has to understand what China is doing in Africa; it is of great historical significance." I could not agree more. And having studied labor politics of Chinese capitalism at home for more than a decade at that point, it seemed only natural—indeed, compelling—that I should follow in the footsteps of Chinese capital to a new frontier.

My regrettable poverty of knowledge about such a large continent only added allure and excitement to the subject. With two ethnography-based monographs under my belt and buoyed by the security of a tenured job without the encumbrances of any deadline, I wagered I could survive a failed project, if it came to that. With hindsight, this cavalier naiveté and a reckless desire to know, not measured calculation of research feasibility, gave me the unfounded conviction that I could pull this off, even though I had no personal or professional connection and no inkling of how to gain access to my imagined field sites—copper mines and construction sites. Yet, none of these intellectual and personality dispositions prepared me for the challenges ahead. It was a humbling experience, with many moments of utter despair and frustration but also pure joy of discovery, communication, and understanding.

In chapter 1, I discussed the logic of comparison and the theoretical rationale of capturing "the global" with ethnography. This appendix offers a more personal and practical account of the research process—the social relations, political landscape, power dynamic, events and serendipity, and debacles and luck that go into any production of knowledge, ethnographic or otherwise. It is not a postmodernist exercise of identity deconstruction and interrogation of the "self" in the field. Rather, I intend this account to provide some sense of the metadata, as it were, that undergird the substantive empirical data, both of which are "collected" and learned by the ethnographer as she engages with her subjects and navigates the research terrain. The metadata are particularly useful for highlighting the contexts and conditions for sociological knowledge. Finally, this reflection can be read as a partial field guide for ethnographers working outside the liberal democratic and economically developed worlds often taken for granted in standard protocols of sociological fieldwork. Many times during the research, I found myself asking what exactly "informed consent" is in this situation of extreme disparity of power. Who needs what protections? I received so much encouragement and so many practical tips from trading tales of success and failure with fellow researchers I met in Zambia that I would like to think of this appendix as a token of thanks for their generosity. If this book looks structured and organized, the research process was anything but. I think laying bear the messiness and the uncertainty of the process will offer a modicum of assurance to other ethnographers whose resolve and conviction may be tested by their fieldwork, more so if the project happens to be more risky. Like other things in life, there is no guarantee, but one has to try.

Infrastructure

As a student of China, I was utterly unprepared for the challenges of doing fieldwork in Africa. Communist authoritarianism has never made China a friendly place for a sociologist of labor. I have experienced firsthand the effectiveness of the public security apparatus in surveilling and limiting sociological research deemed too sensitive to the regime. Political intervention notwithstanding, China does have an infrastructure for research—a deep reservoir of local scholarship, mountains of government statistics, a national network of roads and rails, a culture of timeliness, and work habits emphasizing efficiency. Over the years, as a researcher, I have taken these things for granted. Zambia presents a totally different reality. First, dependent economic underdevelopment and structural adjustment programs have together strangled the research capacity and productivity of local academics. Historical scholarship is much richer than contemporary, and foreign scholarship eclipsed local knowledge production. In Zambia's flagship university, the University of Zambia, one finds dilapidated buildings and crammed dormitories and a steady brain drain of the best academics into private consultancy or NGOs with well-established access to overseas sponsors. Research funding has mostly come from international institutions (e.g., the International Labor Organization, the World Bank, and Friedrich-Ebert-Stiftung) and regional advocacy organizations (e.g., Southern Africa Resource Watch and African Labor Research Network). These sponsors commission Zambia-based researchers to work on topics conceived outside of Zambia and compensate them at international rates. Except for a few Ph.D. dissertations written by Zambian students studying overseas, I have not been able to locate any local independent study by Zambian scholars on the copper mines, the construction sector, foreign investment, or Zambian society and class structure more generally. It saddened me to note the demise of the once-famed Rhodes–Livingstone Institute (renamed the Institute for African Studies after independence). The crucible of British social anthropological studies of colonial societies in Central Africa, it was here that pioneers such as Godfrey Wilson and Max Gluckman trained students, including my own teacher Michael Burawoy, and coined the term the *extended case method*, which later became the hallmark of the Manchester School of Social Anthropology. As an indirect descendant of this tradition, vicariously through my graduate training at Berkeley, I went in search of my distant intellectual ancestor at the University of Zambia only to find its current incarnation, the Institute for Social and Economic Research, struggling for relevance.

If the problems with Chinese archival materials and official statistics are those of access and validity, never of their existence or quantity, the challenge in Zambia is the state's anemic capacity to preserve its own history and generate data. The National Archive of Zambia is so deficient in funding that when I asked for the lights to be switched on in the main reading room so that I could read the files, I was told that all of the fluorescent tubes were malfunctioning and no one bothered to fix them. Hauntingly, most of the files, categorized under different ministerial functions, stop around the late 1970s or early 1980s, as if it was the end of history for Zambia. A friend who had worked there explained that the debt crisis and economic slump was the beginning of this insidious vanishing of the state's institutional memory.

My idiosyncratic experience at the national archive mirrored Morten Jerven's description of the sorry state of the Central Statistical Office in Lusaka. His book *Poor Numbers* began with this all too familiar anecdote:

> It was 2007 and I went to Zambia to do fieldwork for my doctoral thesis in economic history. I wanted to examine how national income estimates were made in African countries. I was struck by the derelict state of the Central Statistical Office in Lusaka. The planned agricultural crop survey was being delayed by the need for car repairs, most of the offices were dark, and the computers were either missing or very old. . . . No one at the office could account for how the income estimates had been made more than a decade ago. In the library there was a dearth of publications and no record of any activity that may or may not have taken place in the late 1970s, the 1980s, and the early 1990s.[1]

Zambia is not alone. Many African state organs are plagued by the abject lack of personnel and finance for data collection, with the result that statistics are based on assumptions rather than empirical data. Collapse of national statistical offices happened in Ghana, Tanzania, and Nigeria as well, which Jerven traced to the shrinkage of state functions demanded by structural adjustment programs in the continent. For poor African countries, state statistical capacity has never been a funding priority for donors, the World Bank, or the IMF. When the Millennium Development Goals became the dominant imposed framework for national development, poverty statistics improved but national accounts deteriorated.

The paucity of official reports and data on the copper mines since independence and especially privatization was shocking, especially when compared with the colonial period. In *The Colour of Class on the Copper Mines*, Burawoy was able to cite a dozen colonial and postindependence Zambian government reports on various aspects of the mining industry, from Zambianization progress and manpower to accidents and disturbances. By the time of my fieldwork, there was not even a modicum of bureaucratic capacity or interest in record keeping. I spent many fruitless hours in the offices of several permanent secretaries and their immediate subordinates at the government headquarters in Lusaka. They were trying to locate reports they claimed existed, as I witnessed with utter dismay the chaotic or, more often, nonexistent paper filing system. I was told more than once that when midlevel civil servants or technocrats left their jobs, no one would keep track of how they disposed of the documents that had been their responsibility, in physical or electronic form. I found the same lack of interest in record keeping in trade union headquarters. I remember spending several hours with the national secretaries of two miners' unions trying in vain to retrieve the collective bargaining agreements they had signed since 2003. In both cases, there were more than a few missing years. Quite embarrassed, they sent me back to the government: "We are required to send the Ministry of Labor a copy of the agreement every year. So they should have the whole set there." Yet, the ministry imposes arbitrary and cumbersome bureaucratic hurdles on public access to these documents. Data collection was so haphazard that a change of staff at the Mine Safety Department in Kitwe meant that the safety statistics I managed to collect stopped in the year when the director who shared them with me was replaced.

In the area of employment and labor issues, an additional challenge existed for official statistics compilation. As Zambia's state-dominated economy gave way to a rapidly expanding informal economy, which now accounts for more than 90 percent of employment, any government— let alone one with few resources—would find it difficult to accurately capture economic activities with statistics. The only employment survey I was able to find was a 2008 labor force survey report, which seemed to be a one-off rather than a regular exercise.

Symbolic infrastructure aside, there were physical ones that impinged on the fieldworker. Just as fish never think about water, I never thought about roads when I was doing research in China, not even when I traveled with migrant workers back to their home villages in mountainous Sichuan two decades ago. I came to realize the extent of my dependence on physical infrastructure only when I arrived in Zambia. Whereas China boasts an elaborate system of ground transportation, which some economists consider a sign of overinvestment and a speculative bubble about to burst, in Zambia, roads are a precious commodity. Since this study required visits to construction sites in different parts of the country, including very remote ones where roads and bridges were nonexistent, I found myself spending an enormous amount of time in bumpy terrain that allowed a maximum speed of twenty miles an hour, just to reach my research subjects. Gasoline typically cost three times more than in the United States. I was extremely fortunate to have the National Council for Construction as my research partner, as it provided access to construction sites as well as a chauffeur, a four-by-four vehicle, and gasoline. Left to my own devices, I would never have pulled off the herculean task of mobilizing a reliable, safe, and professional transportation service that became indispensable for my work. There were payoffs to those long, slow journeys as well: I got to talk a lot with my Zambian colleagues, I saw many villages in desolate places, and I fell in love with baobab trees, which would appear out of nowhere as if to cheer me up with their majestic and comic-looking branches crowning their heads.

It was not just road conditions that made fieldwork in Zambia feel like a slow-motion process. My Zambian friends jokingly talked about Zambians' notion of time—or the lack thereof. From casual workers and cab drivers to university lecturers and ministers, an appointment time was seldom taken literally or seriously. Due to my lack of experience with this totally foreign conception of time, I missed planes because I did not know that I had to allow for a delay from cab rides to the airport. I sat for hours in waiting rooms of ministers and permanent secretaries who felt their positions entitled and empowered them to make others wait. A lot of times, they did not even bother to show up, leaving me to kill time by chatting with their secretaries, observing their slow motion around the office. Neither did I know that waiting for an hour for food to be cooked in restaurants was normal. The first few trips were the most difficult—frustration and anger quickly built up, because it felt so futile to spend time achieving nothing and, more important, because I was conscious of my failure to accept and empathize with this local way of life.

From the third year on, I gradually learned to adapt to and prepare for waiting or no-shows. To my somewhat perverse relief, I witnessed that even the Chinese ambassador was made to wait for three hours for the minister of health to arrive during an official ceremony for handing over a Chinese-built clinic to the Zambian government. Union chairmen would likewise arrive an hour or more late to the annual collective bargaining meetings. Life became more bearable when I started bringing along reading materials everywhere I went (the iPad felt like a divine invention). I adopted the habit of adding an extra hour or two when scheduling cab rides to the airport, and carrying nuts and an apple wherever I went as food availability was unpredictable. I even began to feel more relaxed when on occasions it was my turn to be late for an appointment, knowing that people would not be offended, and that they might be even tardier than I was. Once again, what a contrast with China, whose unrivaled velocity can be found in every aspect and level of society and the economy. It was a country where the most ubiquitous banner hanging on factory shop floors proclaimed, "Time Is Money, Efficiency Is Life," and where my fieldwork practically continued nonstop seven days a week and for as many hours as I could physically sustain on a twenty-four-hour cycle. Like the field site itself, I was a more efficient fieldworker in China. On the other hand, in Zambia, with time, I came to appreciate a distinct advantage of a slower tempo in the field: I had more time to write more and longer field notes, to think of the big picture and the emerging analysis. I always remember the insight my UCLA colleague Suzanna Hecht, a veteran geographer of the Brazilian Amazon, shared with me once. "The Amazon taught me patience. What else can you do when you miss a boat and the next one only comes five days later?"

Power

For an ethnographic project on foreign capital in mining and construction, the biggest challenge was to get access to these powerful corporations. I began building up contacts by approaching people closest to my profession: a researcher at the University of Stellenbosch, South Africa, who had written a report on Chinese construction firms in Africa; the brother of a U.S.-based Zambian academic; and researchers at miners' unions. To them, the idea of participant observation in the mines and construction companies seemed fantastical and unnecessary. Still, mine unionists were reasonably open and helpful, and they put me in touch with their branch officers and shop stewards in the mines. Those early interviews were extremely valuable in initiating me into the worlds of miners, mining, and mining townships. At one point, I also tried forming a research team with three faculties at the Copperbelt University, thinking that embedding myself in a local university study would get me into the mines. But all we were able to achieve was a visit to the underground of the Mindolo mine area in Kitwe. The mines had no interest, desire, or need to entertain any academic project. For construction, I got some overall understanding of the sector through the construction union and its rank-and-file members. I visited several private Chinese contractors and talked to Chinese managers but had no luck with the state-owned ones. Basically, from 2007 to 2009, my first five trips, averaging one-and-a-half months each, were exciting but ultimately fruitless forays in terms of preparing the ground for a comparative ethnographic study of Chinese state and global private capital, their labor regimes, and relation with the Zambian state. As a sociologist, my own social position constrained my access to the power elite, that is, state and capital, whereas the Zambian working class, like their Chinese counterparts, are more amenable to being studied. I must confess that on several occasions, when overwhelmed by a paralyzing sense of futility and failure, I fancied an alternative scholarly life: reading, writing, and theorizing in the comfort of my own home in Santa Monica. After all, great books have been written that way too by comparative historical sociologists. I was ready to throw in the towel and concede defeat.

Miraculously, two glimmers of hope emerged in July 2009. I befriended a Chinese woman who was about to join the human resources department of the newly built Chambishi smelter, a sister company partly owned by the parent company of NFCA, which runs the Chambishi mine. When I met her, she had just left her job at a private Chinese copper trading company on the Copperbelt and was trying her luck by investing in a makeshift sales counter at the Ndola Trade Fair, selling Chinese-made ballpoint pens with a flashlight function. I helped sell some pens during the fair. She said she would talk to management once she got settled into her new job to see if they would agree to let me work without pay in the smelter's HR department. Coincidentally, at the same trade fair I was fortunate enough to entice the collaboration of the National Council for Construction, whose director was keen on collecting objective facts about foreign contractors under the council's oversight. I drafted a research proposal and a memorandum, specifying the terms of reference and our respective responsibilities. We agreed to co-own the data being collected. I would fund my own international travel, subsistence, and payment for student researchers, while the council assigned a vehicle, a driver, and an inspector who would contact the contractors and work with me.

Therefore, finally, in early June 2010, I began researching the construction industry, leveraging the NCC's statutory authority to enter and inspect any construction site in the country. The copper mines were more resistant to researchers, reflecting their economic prowess. I still remember my job interview with the party secretary–cum–general manager of the Chambishi smelter in Lusaka. A man in his early fifties, with the stern, aloof, and slightly menacing look typical of a Communist Party cadre or government official, he started working in Zambia in 1998 with NFCA. His way of breaking the ice was telling me that he has traveled to the United States where his daughter was attending university, as if to establish his cosmopolitan credentials. He then told me that he had Googled my name and had taken the time to read a recent article I had published in the *China Quarterly*! The piece was based on worker interviews alone, and was about NFCA and the Sino-Tanzania Friendship Textile Mill. He asked, with a detectable touch of anger, "Why do you have to write about the salary payment for the Chinese staff, their lives, and the labor strife in these two enterprises? Don't you realize these descriptions hurt the image of Chinese companies in Africa?" Then he launched into a historical lecture about China's victimization by the West, reminding me that as a Hong Kong native, I am also a Chinese:

> China has missed out on all historical opportunity to develop as quickly as the West since the late Qing when the West had their chance to go get resources from the rest of the world. . . . When the Zambian mines were privatized, the major British and Western companies took the best and biggest mines. China came and got Chambishi without much experience and knowledge, and did not do a thorough investigation. Chambishi was a wasteland at that time. People should be grateful that we came to reopen the mine. Because the mine was of lower quality and had been abandoned for a long time, we had to invest more than others, and we cannot pay wages as high as MCM and KCM. But they call this exploitation—a terrible word.

I knew where he was going with this stern monologue. Having failed my job interview at the Chinese smelter, I focused all my energy on the case of construction, conducting interviews with government officials and managers at company headquarters in Lusaka, and traveling to distant construction sites, reassuring myself that at least I had one industry. It was during this period that I befriended an opposition politician, Guy Scott, a white Zambian of Scottish and English descent, who was at that time a very popular member of parliament from Lusaka Central and the vice president of the Patriotic Front, a major opposition party. A former minister of agriculture under Frederick Chiluba in the early 1990s, with a doctorate in artificial intelligence from Sussex and a degree in economics from Cambridge, Scott has very impressive intellectual caliber and curiosity. Incidentally, like the Communist Party secretary at the smelter, he had also read my *China Quarterly* article, which had been sent to him by one of our mutual friends. I could tell in our first meeting that he had absorbed the main arguments and was most bemused by my depiction of the Chinese managerial culture of "eating bitterness." He obviously saw the policy implications of my project to Zambia, and his academic background made him amenable to the idea of conducting empirical research. He volunteered to set up a meeting for me to talk with Michael Sata and invited me to join some of the Patriotic Front's mass rallies on the Copperbelt. I saw firsthand Sata's very effective populist charisma at work. "Wait until we are in power," Scott counseled, as he consoled me over after-hours beers, learning of my unsuccessful attempts at getting access to the mines, Chinese or otherwise.

The most pivotal moment of this research came when the Patriotic Front won the 2011 general election and Sata appointed Scott as his vice president. Within the first months of the Patriotic Front's ascendency to power, Scott introduced me as his "advisor" on China to his newly appointed ministers of mines, agriculture, finance, and commerce, and the Chinese ambassador to Zambia. In fact, I "advised" him only in a personal and informal capacity, without the encumbrances of contract, government approval, or financial transaction. We agreed it would be best for all if I were to be self-funded, which was what I insisted on anyway. Any form of monetary support from the government would compromise my independence as a scholar. From the very beginning, Scott knew I was collecting data to write a book, and I agreed to share the information with the Zambian government. It was not just as a friend that he rendered his assistance. But more important, I think, as the vice president of a resource-dependent state, he had a serious interest in a research project that sought to make the mines financially and sociologically legible to the authorities.

The vice president was absolutely instrumental in helping me overcome the most critical hurdle: research access to the mines. But even this turned out to be quite a laborious process. Nominally the number-two man in the country and wielding tremendous respect and influence, he actually did not have any executive power or policy portfolio. His power was constrained by other senior politicians who had their own interests. I still remember how he liked to moan from time to time, "I wish I could do something to halt the downward slip of the kwacha or fix mealie meal price. Instead, every day my job is to give speeches, officiate at ceremonies, receive heads of state at the airports, or make appointments for Professor Lee." But how best to present me and my project to the mine executives? It would not be appropriate for the Office of the Vice President to directly commission a study because it would come across as overriding the ministries. After consulting with his staff at the Cabinet Office, he asked the permanent secretary of commerce, trade, and industry to put together a "technical" team (consisting of senior economists and directors) to execute a government study on foreign investment (Chinese and non-Chinese) in major sectors including mining. I would serve as a government consultant and enter the mines in that capacity.

But very soon, I realized that this arrangement would never work. The technical meetings were quite surreal: we spent at least the first thirty minutes of every meeting correcting the spelling and grammatical mistakes of the minutes of the previous meeting. Then there was the issue of incentive. I was told by Zambian friends that there existed a pervasive per diem incentive culture in the civil service and public institutions, motivating people to work away from their stations for the extra income this may bring. From day one, one of the senior economists in the team asked me to bring in external funding. He became a passive-aggressive obstructionist the moment his hope for World Bank–level funding was dashed. Finally, there was also a palpable and understandable mistrust toward me, notwithstanding the authority and influence of the vice president. I could read between the lines in our conversations the questions swirling inside their heads: Why does she do this for free? Is she an agent of the Chinese or the U.S. governments? What is her relationship with the vice president? For a whole month, I was stranded in some fruitless discussions about the scope of the study or why I wanted to ask certain questions in the survey we were designing. Unsurprisingly, when the Cabinet rejected a huge budget proposal concocted by several economists in the team, the whole thing collapsed. The secretary of the team simply refused to respond to my e-mail calling for meetings. The only payoff in forming this team was a letter from the permanent secretary of commerce to the mines introducing me and requesting their permission for me to stay in each company for at least a month to study their "work culture." The letter went out even though the project dissipated. When none of the mines responded, the vice president intervened. Like a magic carpet, his personal phone calls to the CEOs of the mines, including the Chinese, ushered me into these powerful corporations in a breeze, rescuing my project, and wiping out three years of anxiety and the occasional self-indulgent thought of giving up.

For ethnographers, gaining access usually offers the first glimpse of the political lay of the land that surreptitiously shapes the field site as well as the object of study. My entry to these powerful multinational mines, especially the Chinese state-owned mines, through the Zambian government is sociologically revelatory, especially when set in contrast with how Burawoy entered the mining sector for his study in the late 1960s. How did our different modes of entry reflect the political economic changes during the forty years separating our respective studies?

Armed with a degree in mathematics from Cambridge, Burawoy used his contacts with the top brass in the Anglo American Corporation to secure a position in the newly created Personnel Research Unit tasked with creating a new job evaluation scheme designed to bring together the black and white pay scales after independence. Working as the technician behind the job evaluation scheme while conducting his research on labor conditions and politics, his was the kind of "covert participant observation" that would be impossible today with human subject protocols that require the researcher to secure the consent of the participants. The principle of informed consent of all subjects is a liberal notion of human protection that assumes all subjects are equal in power and in need of protection. Luckily for Burawoy, Anglo American gave him permission, retroactively, to publish the data he collected while working there as its employee.[2]

My fieldwork was undertaken under a different configuration of power and interest. The Zambian state had been under tremendous electoral and fiscal pressure to act tough toward the mines. Interest aside, the fact that the vice president of the Republic could install me in these multinationals as his government's consultant implied both the Zambian government's growing power vis-à-vis multinational mining companies and also its limits. After I got into the mines, most CEOs explained that no corporation would want to antagonize the vice president of the country where it operated. Yet, ironically, the letter from the Ministry of Commerce alone failed to do the trick—perhaps indicative of the persistently personal nature of power in Zambian politics. Also, as my fieldwork progressed, some senior managers in some of the mines became anxious about my presence and my data collection activities. It was very difficult for me to gauge the degree of informed consent each and every manager gave under the circumstance. If I interpreted in the strictest possible terms the practice of informed consent imposed by the human research protection protocol at UCLA, I would never have been able to study these powerful corporations, which did not actually need my protection. All I can say is that all the parties concerned were aware of my identity and research objectives and that I fulfilled my obligation, though informal, to share my findings with the vice president and his government, as well as with the Zambian public, through both closed-door and public presentations.

Accessing Chinese state capital via the Zambian political elite bespeaks another important clue to the nature of Chinese state capital: it is less powerful, and therefore more accessible, abroad than at home. CNMC, as one of the hundred or so central SOEs, stands at the apex of the formidable corporate hierarchy in China. With a very close colleague at Tsinghua University, I tried to gain access to its supervising organ, the State Asset Supervision and Administrative Committee, through one of the officials who was studying part time at Tsinghua. When it did not work, we tried working with a senior official at the research institute of the China Development Bank (CDB), proposing research to study the performance of SOEs that received CDB investment in Africa. That also came to naught. As academics, our social capital is typically too limited for us to reach the elite. Yet, what I have learned in Zambia is that central SOEs, no matter how powerful at home, have to entertain, even respect, the prerogatives of the host country state, be it about a research project backed by the government or the institution of collective bargaining.

Negotiations

Getting a foot in the door of the mines was only the start of a continuous process of negotiation with management and workers about what I could do and what I could collect during my residence in the companies. The vice president's endorsement could not dictate what the CEOs, CFOs, human resource managers, and those working under them would divulge to a researcher. Indifference—even obstruction—was to be expected. In one of the mines, the CFO avoided meeting with me after our initial conversation, refusing to acknowledge my presence even when I ran into him in the hallways of the corporate office. The hostility of his colleague, the HR manager, was also palpable, even deliberate, as if he was trying to frustrate me into disappearing. The companies might find it hard to say no to the vice president, but they were not the least obliged to cooperate with me. Although my gender, ethnicity, appearance, and social science background did not command the respect and fear that would be accorded a white male mining engineer or economist, these characteristics also made my presence relatively harmless. In most cases, people just let me be. I was variously assigned to base myself in the training department, the

HR department, and the corporate affairs department across the three mines. The manager in these units introduced me to the heads of different departments, who then left me to develop any social and working relations thereafter. That suited me well. Many were relieved to know that my main interest was not financial or taxation data, but corporate processes and class relations.

The good news was that for every resisting manager there was always another who was accommodating. Just as there was no unitary interest and stance within the Zambian government, management was also a fragmented bunch. One advantage of immersive fieldwork was that I had more time to develop working relationships with a larger reservoir of subjects with whom I could get along and discuss matters related to the mines. In general, I found that the subordinate or secondary elite, both among the corporate managers and within the government, had more critical views and were more willing to voice their dissent to me, someone combining the neutrality of an outside academic and the authority of a government consultant.

Within foreign-owned mines, the subordinate elite consisted of top Zambian managers and mining engineers who supervised departments and projects. Positioned just under the top expatriate managers, these Zambians were privy to realities at the corporate level but did not always see eye to eye with the expatriates and the foreign interests they represented. Many of them had started their careers in the mines from the days of ZCCM, moved up through the ranks, and witnessed firsthand changes under various political and production regimes. Their comparative insight was augmented by their professional knowledge of how mining *should* be done and managed. Knowing that I was sent by the GRZ to study them, some felt conflicted about their loyalties—the company or the government. But once I started asking them simple, innocuous, straightforward questions about their work, not commercial or financial secrets, they would organically and effortlessly engage me in long and fascinating discussions about how proper technical standards of exploration, blasting, development, safety, or training had been violated and compromised by political economic exigencies and calculations under different ownership periods. Their professionalism was their yardstick to measure deviations and distortions by the powers that be, and it was out of a sense of professional commitment and perfectionism that they became bold and vocal critics of corporate practices.

Within the government, too, varied interests, power, and positions shaped the unevenness of my access and how easy my fieldwork was. Since my role as the vice president's personal friend and "advisor" was not formal, most of the ministers and permanent secretaries I was introduced to were cordial but not particularly enthusiastic about assisting me. The natural affinity I found in my interaction with the minister of labor did not prevent him from standing me up several times at his office. The minister of finance was openly hostile to me and my project, perhaps because he did not want additional and unnecessary conflicts between the mines and the GRZ. He was decidedly obstructive to my suggestion that the vice president receive a copy of a comprehensive study of the mines that he himself commissioned but kept hidden. When the vice president called a meeting for me to present my findings, the finance minister showed up, annoyed even before I spoke, and stormed out of the meeting when I was only five minutes into the presentation, announcing that I knew nothing about Chinese investment. Some permanent secretaries, who are political appointees in the Zambian political systems, were reluctant to share information or did not actually know the history of a certain policy. One senior official with years of experience dealing with the Chinese was also the most reluctant to talk to me. He put it bluntly: "If the VP wants to know anything, I am here at his service." One of his technocrats explained that my Chinese face might have made people uncomfortable to talk to me about Zambian government policies, even though the permanent secretary of the Cabinet Office had introduced me with an official letter as a consultant to the vice president. At the end of the day, the most insightful and knowledgeable officials were the technocrats, usually the directors within a ministry who had worked in their respective departments for many years. Much like the mining engineers, these were professionals in their areas of work, be it foreign trade, debt management, or mine safety, who enjoyed secured employment and senior status within the bureaucracy and dared to voice their dissent and share their knowledgeable views on how things were and should be done.

The miners and construction workers, occupying the lowest positions in the hierarchy of power, showed the least resistance to me and the study. For one thing, they welcomed a researcher sent by the government and saw in me their channel to the ears of the vice president and the administration. "Officials should know how we live, how little we earn, how run down are our hospitals," commented many. The challenge was the scarcity of time, given their long hours of strenuous labor, inconvenient transportation (many walked two hours each day to and from work), family responsibilities, and chores after work. I usually paid miners between $5 and $10 as "beer money," both to compensate for the time they spent with me in their homes and neighborhoods and to defray some of the cell phone "talk time" (top-up) fees incurred when they helped me set up visits to their friends.

In short, beyond all political and cultural impediments, the fieldworker could, must, and did always count on the irrepressible human spirit and inclination to engage and communicate about their take on reality, to tell stories about themselves and one another, to register their experience in some form. This spirit existed to different degrees under different circumstances, some of which were within the researcher's control. At least she could try to create the microconditions that facilitated communication. I was lucky to have encountered mining engineers, miners, production managers, and technocrats whose passionate and professional commitment to their work sparked many lively conversations, incisive criticisms, and, for me, enlightening moments of engaged humanity. There was nothing more magical and gratifying for an ethnographer than when some of my informants were surprised by their ease and willingness to talk with me, commenting in the middle or the end of our conversations, "I don't know why I am telling you all of this" (and some added, "Maybe I shouldn't"). Fieldwork in Zambia was always gritty, for me at least, but these individuals and the profound moments they helped create made it all worthwhile.

What did all these negotiations in the field tell me about "informed consent" when studying the power elite, in this case the state and multinationals? This issue came into sharp relief when at one point toward the end of my stint at KCM, the company lawyer, who had not previously been informed by the CEO or anyone else of my presence and my fieldwork, wanted me to sign a legal document renouncing my right to publish my findings. I refused, maintaining that he should talk to the government or the vice president who sent me as their consultant. This lawyer did not give me consent to study the company, but the CEO and other senior managers did, albeit reluctantly, because they did not want to alienate the vice president and his government. This study of the power elite was possible only because I was given the opportunity to leverage the power dynamic between the powerful. Informed consent is a liberal notion of human subjects' equal and legal rights to be informed of the purpose of research and to participate voluntarily. But anyone who has done fieldwork knows that, in practice, treating all human subjects equally perpetuates the inherent power inequality because some human subjects need more protection than others. Are these global London exchange–listed multinationals and Chinese state-owned companies "human subjects" in the same sense as miners and construction workers? Do these companies warrant or need the same kind of "protection" as miners? And what kind of "protection" can I, a mere ethnographer, offer them? I asked myself these questions many times in the course of this research and I have come back time and again to the same conclusion that Troy Duster, David Matza, and David Wellman arrived at more than three decades ago: "An uncritical across the board application [of informed consent] unwittingly favors certain human subjects," especially in ethnographic studies of racism, fraud, or discrimination by businesses or public institutions.[3] Like them, I am not suggesting that we should throw informed consent out the window, but we should allow researchers room for discretion to determine the conditions and modes of its application.

Identities

My ethnicity, nationality, gender, profession, and official role as the vice president's consultant amused and perplexed people in equal measure, alternately helping and hindering the research process. As a Chinese woman born and raised in British colonial Hong Kong, I speak Mandarin, although Cantonese is my mother tongue, and I now live and work in California as a sociology professor, holding dual citizenship in the United States and Hong Kong Special Administrative Region. For most Zambians and Chinese, this strange configuration of multiple identities baffled them: Where does her loyalty lie? No amount of explaining will convince them that I am a sociologist first and foremost and that I am interested in understanding how things work and come about rather than passing normative judgment or spying for any government. I have already mentioned how some Zambian officials were so suspicious of me that they refused to talk to me about their strategies toward Chinese investment, fearing that I worked surreptitiously for Chinese companies or the Chinese government. Their concerns were not allayed even when I urged them to look up my web page and my writings on various seamy sides of Chinese development. Time was my best—albeit partial—solution. With more interaction and discussion, they came to realize that my analyses about Chinese practices were as unflinchingly critical as those about other foreign investors. Some became gradually more at ease in sharing their views with me.

To the Chinese I encountered in the field, there was a similar mix of ambivalence and confusion. The otherwise affable Chinese ambassador to Zambia always found it awkward that I sat among Zambian officials on occasions involving Chinese officials: receiving a Chinese delegation of the mining industry in the vice president's office, meeting and greeting the Chinese vice president Li Yuan Chao during his visit to Zambia, accompanying the vice president on his trip to Beijing, and so forth. Chinese managers in the mines simply assumed that being a Hong Kong Chinese made me a very different kind of Chinese. I did not necessarily disagree—once a colonial subject, always a colonial subject. Occupying that space of simultaneous cultural proximity and distance was actually conducive to friendly exchanges. My American experience turned out to be an endless source of conversation, from housing and food prices to education advice for their children, and from insights about Obama's reelection to the curious importance of money in American democracy. Senior management also began to see me as a potentially useful channel for them to communicate their views and suggestions to the Zambian government. Among the three mines, the Chinese mine was most accommodating to my work just as they were to the Zambian government's agenda, as I discussed in the book.

As in other past field sites, I learned that biological and social markers of gender, race, ethnicity, class, and nationality are skin deep. They often have filtering and blinding effects at the beginning; but with time, it is ultimately what we do and how we behave and relate to people that indicate to others who we really are. Identities are indeed relationally constructed and malleable, in theory and in practice. There are things fieldworkers can do to transcend identity boundaries, triangulate our multiple identities, shape how others construct our identities, and thereby create common ground for human communication. For instance, going underground with mine managers and workers created a significant amount of goodwill among those who had spent years working in that unforgiving place a kilometer underground. People could see that I was not cut out for that kind of work environment, but my clumsiness and ignorance were forgiven because of my insistence on shadowing them in order to observe and understand how they did their work at different levels of the mines. That was the most direct proof that I was a sociologist first and foremost. Not that my gender, class, nationality, ethnicity, or role were forgotten. As a matter of fact, I have always experienced an irreducible distance, at once existential, epistemological, and ontological, between me, the ethnographer, and them, the people I study. Even the premise of ethnography and sociology—that a researcher, unmoored from social relations in the local community, can make claims about it by embedding herself in people's lives—comes packaged with assumptions about personhood, ways of knowing and being that are bewildering and alien to many people in Africa and China. Although an ethnographer cannot erase these differences, she could turn them into opportunities for dialogue and knowledge. My experience so far suggests that such desire for dialogue and knowledge travels in both directions. I will always relish spontaneous moments of friendship and solidarity: loader drivers, engineers, and mine captains I shadowed would spot and pick up pieces of ore from the ground, point their headlights on them, and all of a sudden the bornite, azurite, or chalcopyrite in the rocks would glitter purple, blue, or gold in the dark. Passing them to me, they would say, "Here's souvenirs for you!"

Reciprocity

I have never signed any formal contract or memorandum with the vice president about our respective roles and responsibilities in this project. But from the beginning, I have always embraced the principle of reciprocity and hoped to share my research findings with stakeholders in Zambia and China, not just the international scholarly community. There has always been a mutual understanding that I would make my study available to the Zambian government (the vice president and the National Council for Construction), while I retained my independence and my freedom to write a scholarly book.

In 2014, at the end of my last substantive research trip to Lusaka, the vice president suggested that I do a presentation to his administration. His office invited the ministers of finance, commerce, mines, and labor and their permanent secretaries to the vice president's conference room. The minister of finance was agitated from the start, interrupted me several minutes into my talk, and bluntly announced, "I came out of courtesy to the VP, but I have no time for the nonsense you are talking about." He stormed out of the room after firing his missiles at me. Strangely, nobody seemed to be bothered or upset. I continued and they listened attentively, supplementing my comments with their questions and observations. The minister of labor stopped me at one point, saying that he had read a piece in *Newsweek* about how Chinese private companies and state companies are always connected, and challenging my distinction between Chinese private capital and state capital and my claim that the Chinese government state did not always know what these private investors were doing in Zambia. The remark was off, but at least he had been paying attention.

The ministers of mines and commerce were the most attentive to and appreciative of my arguments and suggestions of how the Zambian government could leverage the politicized nature of Chinese state capital. The minister of mines was obviously impressed by the technical details I drew on to compare the mines on how they developed, drilled, and produced. When I explained the risks of concessional loans, people were astonished. This presentation confirmed my suspicion all along that there is little cross-ministerial dialogue, strategic thinking, or expertise with regard to China in Zambia.

The permanent secretary of the Cabinet Office saw the utility of my study to the government and suggested that I should repeat this presentation to senior technocrats on a separate occasion. I also recommended to the vice president that the government should establish a China Policy Group so more coherent, deliberate, and interdepartmental strategies could be formulated. Without such a platform, individual ministries, politicians, and officials would yield to whatever capricious interests they happened to pursue in dealing with China and Chinese investment. The vice president agreed but did not know who in the GRZ had the will and skill to spearhead this initiative. A few months later, President Sata died and the vice president became the acting president. Although he could not run for the presidency because he did not meet the constitutional requirement that presidential candidates must have Zambia-born parents, he was engulfed in the political maelstrom created by intra- and interparty struggles for the position of president. Whatever political will he managed to muster and project was quickly shattered by the vagaries of electoral politics. With my patron losing power, so went my access to the power elite. The same evisceration of my collaboration with NCC on the construction industry study occurred when the director who commissioned the study retired from NCC in 2014 and showed no interest in my research or desire to communicate with me. His immediate subordinate, who supervised the inspector assigned to work with me on this project, also ignored my repeated requests to visit two remaining contractors in our sample. I never got a chance to present to NCC what I have found.

The last public presentation I made in Zambia on this research was in Livingstone at a conference organized by the *Journal of Southern African Studies* in August 2015, exactly eight years since my first trip to the country. Attended by about a hundred academics from the region, the conference gave me the opportunity to get feedback from colleagues who have more expertise than I on Africa. Guy Scott, still a member of parliament, now unencumbered by bodyguards and other presidential protocols, sat among the audience and joined the discussions. Had he stayed on as head or vice head of state, he might have put my research to more practical and policy use. The fact that it did not happen only attests to my arguments made in the book about Chinese state capital and African development—there were moments of opportunities for African states to channel the potential and power of Chinese state capital, but forces of existing political economic structures always threaten to close them off.

Notes

Chapter 1

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Chapter 2

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3. Through a creative-destruction restructuring process that began in the early 1990s, involving drastic downsizing and massive retrenchment in the state sector, many traditional SOEs went bankrupt, were privatized, or fell into local government ownership, while the most strategic ones were corporatized and consolidated into just under 196 central SOEs in 2003. SASAC sits on top of a gigantic pyramid, which by 2010, consisted of 121 "group" companies. The biggest fifty or so of these companies were previously industrial ministries, and each of these sits on top of an average of two hundred subsidiaries, many of which are listed on stock exchanges in China and abroad. Together they control the most strategic sectors of the Chinese economy: defense, telecommunications, energy, power, transportation, and industrial materials. Barry Naughton, "The Transformation of the State Sector: SASAC, the Market Economy, and the New National Champions," in *State Capitalism, Institutional Adaptation and the Chinese Miracle*, ed. Barry Naughton and Kellee S. Tsai (New York: Cambridge University Press, 2015), 46–71.

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15. Interview with the author, Chambishi, August 23, 2013.

16. Francis Kaunda, *Selling the Family Silver: The Zambian Copper Mines Story* (KwaZulu-Natal: Interpak Books, 2002), 118.

17. Interview with the author, Lusaka, June 2014.

18. Kaunda, *Selling the Family Silver*, 170–73.

19. Michael Sata, "Chinese Investment in Africa and Implications for International Relations, Consolidation of Democracy and Respect for Human Rights: The Case of Zambia" (paper presented at the Harvard University Committee on Human Rights Studies, October 24, 2007).

20. Interview with the author, Chingola, November 26, 2012.

21. Interview with the author, Chambishi, November 13, 2012. Interviews with other members of the senior management team yielded a similar list.

22. The day before the meeting, I saw the general office manager preparing a different banner that read "Sounding the Horn, Storming in the Fourth Quarter" (号角吹响 大干四季度). I made what I thought was an innocuous remark that it sounded like a slogan from the command economy era. The next day, when I walked into the conference room, the banner had been "updated."

23. Fieldwork, Chambishi, October 23, 2012.

24. "Retrenchment Fear Grips Miners on the Copperbelt," *Lusaka Times*, November 25, 2008; "Luanshya Copper Mine Halts Operations, 1,740 Lose Jobs," *Lusaka Times*, December 21, 2008; "KCM Retrenches 700 at Nkana," *Times of Zambia*, February 20, 2009.

25. Chrispin Radoka Matenga, *The Impact of the Global Financial and Economic Crisis on Job Losses and Conditions of Work in the Mining Sector in Zambia* (Lusaka: International Labour Office, 2010).

26. Interview with the author, Kitwe, July 24, 2013.

27. Interview with the author, Chingola, November 26, 2012.

28. Judith Fessehale, "Development and Knowledge Intensification in Industries Upstream of Zambia's Copper Mining Sector" (MMCP Discussion Paper no. 3, University of Cape Town and Open University, March 2011), 26. http://www.cssr.uct.ac.za/sites/cssr.uct.ac.za/files/pubs/MMCP%20Paper%203_0.pdf.

29. Interview with the author, Chambishi, August 27, 2013.

30. John Lungu, *The Politics of Reforming Zambia's Mining Tax Regime*, Southern Africa Resource Watch, *Resource Insight* 8 (August 2009), Johannesburg, South Africa. http://archive.resourcegovernance.org/sites/default/files/Politics_Reforming_Zambia_Mining_Tax_Regime.pdf.

31. Dan Haglund, "From Boom to Bust: Diversity and Regulation in Zambia's Privatized Copper Sector," in *Zambia, Mining, and Neoliberalism*, ed. Alastair Fraser and Miles Larmer (London: Palgrave Macmillan, 2010), 91–126, see esp. 100.

32. Interview with the author, Chingola, November 26, 2012.

33. World Bank and UKAID, "What Is the Potential for More Copper Fabrication in Zambia?" July 2011, 7. http://siteresources.worldbank.org/INTZAMBIA/Resources/copper-fabrication-summary-online-copy.pdf.

34. Interview with the author, Chambishi, August 26, 2013.

35. Interview with the author, Kitwe, July 7, 2009.

36. Stuart John Barton, "A Special Place for China? How Zambia Has Used Economic Zones to Attract Foreign Investment" (MPhil thesis, University of Cambridge, 2011).

37. Interview with the author, Lusaka, August 23, 2013.

38. Ibid.

39. Interview with the author, Kitwe July 7, 2009.

40. Fieldwork, Chambishi, June 20, 2013.

41. Interview with the author, Lusaka, June 16, 2014.

42. Interview with the author, Lusaka, September 5, 2011.

43. Interview with the author, Lusaka, August 23, 2013. This account was corroborated by interviews with an advisor to two former Zambian presidents and Chinese contractors in Zambia who have successfully secured concessional loan projects from China EXIM Bank.

44. Interview with the author, Lusaka, June 16, 2014.

45. Interview with the author, Lusaka, June 17, 2014.

46. Interview with the author, Lusaka, August 23, 2011.

47. Interview with the author, Lusaka, June 13, 2014.

48. Ibid.

49. Interview with the author, Lusaka, June 24, 2014.

50. He went on to say that individual countries can deviate from it, as Zambia did in 2014, when it borrowed 6.6 percent of GDP due to the pressure of a larger government wage bill. The forecast for 2015 was 4 percent, and back to 3 percent in 2016.

51. Interview with the author, Lusaka, June 24, 2014.

52. Deborah Brautigam, *The Dragon's Gift* (Oxford: Oxford University Press, 2009), 185.

53. Data provided by the Ministry of Finance, August 21, 2013, and June 16, 2014.

54. Deborah Brautigam and Jyhjong Hwang, "Eastern Promises: New Data on Chinese Loans in Africa, 2000–2014" (Working Paper no. 4, China–Africa Research Initiative, School of Advanced International Studies, Johns Hopkins University, 2016). https://static1.squarespace.com/static/5652847de4b033f56d2bdc29/t/58ac91ede6f2e1f64a20d11a/1487704559189/eastern+promises+v4.pdf.

55. In a couple of cases, provincial state-owned contractors managed to engineer concessional loan projects in Zambia.

56. Fieldwork, Ndola, September 13, 2011.

57. Out of a total of sixty-eight contractors with licenses to undertake large-scale projects (grade 1 and grade 2 contractors registered with the National Council for Construction in Zambia in 2013), thirty-six of them originate from China.

58. For an analysis of the China EXIM Bank's commercial and policy imperatives, see Erica Downs, *Inside China, Inc.: China Development Bank's Cross-Border Energy Deals*, John L. Thornton China Center Monograph Series, no. 3 (Washington, DC, 2011).

59. The Patriotic Front's victory in that election actually had little to do with Sata's anti-Chinese rhetoric in past years, a fact that the international media ignored. His party prevailed because of massive popular sentiment for change, resentment against neoliberalism that intensified poverty and inequality, and the incompetence of the incumbent MMD. P. K. Lolojih, B. J. Phiri, J. Gould, and M. Hinfelaar, "Political Party Dynamics Report" (unpublished report submitted to the Embassy of Finland in Lusaka and the Netherlands Institute for Multi-Party Democracy, April 2, 2012).

60. For the case in Sudan, see Luke Patey, *The New King of Crude: China, India, and the Global Struggle for Oil in Sudan and South Sudan* (London: Hurst & Company, 2014), 254.

Chapter 3

1. Interview with the author, Chambishi, November 12, 2012. All names mentioned in the text are fictitious, except those of public figures and government officials.

2. Interview with the author, Kitwe, July 23, 2013.

3. Interview with the author, Chambishi, November 9, 2012.

4. Interview with the author, Chingola, June 27, 2013.

5. Alastair Fraser, "Introduction: Boom and Bust on the Zambian Copperbelt," in *Zambia, Mining, and Neoliberalism*: *Boom and Bust on the Globalized Copperbelt*, ed. Alastair Fraser and Miles Larmer (London: Palgrave Macmillan, 2010), 10.

6. Miles Larmer, *Mineworkers in Zambia: Labor and Political Change in Post-Colonial Africa, 1964–1991* (London: Tauris Academic Studies, 2007).

7. Lise Rakner, *Political and Economic Liberalization in Zambia, 1991–2001* (Uppsala: Nordic Africa Institute, 2003), 145.

8. Tayo Fashoyin, "Employment Relations in Zambia," *Employment Relations* 30, no. 4 (2008): 391–403.

9. Herbert Jauch, ed., *Trade Unions in Africa* (Johannesburg: African Labour Research Network, 2003), 10.

10. "Zambian Labour Law Reform Issues Paper," compiled by the Government of the Republic of Zambia and International Labour Organization, May 2013.

11. Michael Burawoy, *The Colour of Class on the Copper Mines: From African Advancement to Zambianization* (Manchester, UK: Manchester University Press on behalf of the Institute for African Studies at the University of Zambia, 1972), 2.

12. *China's Interest and Activity in Africa's Construction and Infrastructure Sectors* (Center for Chinese Studies, Stellenbosch University, November 2006), 80.

13. Antoine Kernen and Katy N. Lam, "Workforce Localization among Chinese State-Owned Enterprises (SOEs) in Ghana," *Journal of Contemporary China* 23, no. 90 (2014): 1053–72.

14. "Zambia Work Permit," Intergate Immigration. http://www.workvisazambia.com/zambia-work-permit/.

15. Interview with the author, Chingola, November 21, 2012.

16. Interview with the author, Nkana, July 12, 2013.

17. It is theoretically possible, but empirically absent in Zambia, that some global private capital may subscribe to a long-term productionist philosophy similar to that of Chinese state capital. We will need empirical studies to see how such companies handle shareholders' interest.

18. Interview with the author, Lusaka, June 13, 2014.

19. *Minerals Value Chain Monitoring Report*, commissioned by the Zambian Revenue Authority, 2014, 138 (emphasis added).

20. Interview with the author, Lusaka, June 13, 2014.

21. Interview with the author, Kitwe, July 24, 2013.

22. Interview with the author, Kitwe, July 23, 2013.

23. Interview with the author, Chambishi, July 22, 2013.

24. Interview with the author, Kitwe, July 24, 2013.

25. Interview with the author, Kitwe, July 12, 2013.

26. Interview with the author, Chingola, July 15, 2013.

27. Interview with the author, Lusaka, June 13, 2014 (emphasis added).

28. Interview with the author, Chambishi, July 22, 2013.

29. Interview with the author, Chingola, June 21, 2013.

30. Fieldwork, Chingola, November 28, 2012.

31. Interview with the author, Kitwe, July 24, 2013.

32. Ibid.

33. Interview with the author, Kitwe, July 12, 2013.

34. Interview with the author, Chambishi, October 15, 2012.

35. A company profile can be found in the trade magazine *International Mining*, "JCHX Going International," July 2013, 14–16.

36. Interview with the author, Kitwe, July 8, 2009.

37. Interview with the author, Lusaka, June 13, 2014.

38. Interview with the author, Chingola, June 26, 2013.

39. Interview with the author, Kitwe, July 23, 2013.

40. Interview with the author, Chambishi, August 5, 2013. The Zambian kwacha was rebased in January 2013; three zeros were removed from the old currency. My fieldwork straddled the periods before and after the rebasing of the kwacha. Unless otherwise noted, monetary amounts given refer to the old system, which was used by most informants. During the research period, the exchange rate for the kwacha fluctuated between K5,000 and K6,000 to the US dollar.

41. Interview with the author, Chambishi, November 12, 2012.

42. Interview with the author, Chingola, June 29, 2013.

43. Ching Kwan Lee, "Raw Encounters: Chinese Managers, African Workers and the Politics of Casualization in Africa's Chinese Enclaves," *China Quarterly* 199 (2009): 647–66.

44. A third union, United Mine Workers Union of Zambia (NUMWUZ), based in Mufulira, has emerged in recent years and participated in negotiations with MCM and KCM.

45. Collective bargaining meeting at KCM in Chingola on November 26, 2012.

46. Interview with the author, Chililabombwe, July 28, 2012.

47. Interview with research assistant (translated from Bemba), Chambishi, August 12, 2010.

48. Interview with the author, Solwezi, September 16, 2011.

49. Interview with the author, Solwezi, September 17, 2011.

50. Interview with the author, Solwezi, September 17, 2011.

51. Interview with the author, Chingola, September 9, 2010.

52. *2008 Labour Force Survey Report* (Central Statistical Bureau, Lusaka, Zambia, 2011), 50. "Employees are considered to have informal jobs if their employment relationship is not subject to standard labour legislation, taxation, social security or entitlement to certain employment benefits for reasons such as: non-declaration of the jobs or employees; casual jobs; employment by unregistered enterprises or by persons in households"; internal reports of the National Union of Building, Engineering and General Workers Membership, Kitwe, 1997–2009, 7.

53. Interview with the author, Kitwe, November 25, 2008.

54. Interview with the author, Solwezi, September 17, 2011.

55. Interview with research assistant (translated from Bemba), Chambishi, August 12, 2010.

56. Interview with the author, Chingola, September 9, 2010.

57. "Adapt to the Hardworking Culture of the Chinese—RB," *Lusaka Times*, July 9, 2009.

58. "Construction of Ultra Modern Stadium in Ndola Begins," *Lusaka Times*, May 7, 2009.

59. Interview with the author, Ndola, September 13, 2011.

60. Interview with the author (translated from Bemba), Ndola, September 13, 2011.

61. Interview with the author, Lusaka, July 10, 2014.

Chapter 4

1. Max Weber, *The Protestant Ethic and the Spirit of Capitalism*, trans. Talcott Parsons (1930; Roxbury Publishing Company, 1996), 63.

2. Mr. Cheng left NFCA at the end of 2012.

3. Fieldwork, Chambishi, October 30, 2012.

4. Fieldwork, Copperbelt, September 4, 2009.

5. Interview with the author, Chambishi, July 22, 2013.

6. Interview with the author, Nkana, July 19, 2013.

7. Robert Bates, *Unions, Parties, and Political Development: A Study of Mineworkers in Zambia* (New Haven, CT: Yale University Press, 1971), 32–38.

8. Michael Burawoy, "Another Look at the Mineworker," *African Social Research* 14 (December 1972): 239–87.

9. Interview with the author, Chingola, July 7, 2009.

10. Interview with the author, Chingola, June 23, 2013.

11. Ibid.

12. Interview with the author, Kitwe, August 25, 2013.

13. Interview with the author, Kitwe, July 4, 2013.

14. Yan Hairong and Barry Sautman, "Chasing Ghosts: Rumors and Representations of the Export of Chinese Convict Labor to Developing Countries," *China Quarterly* 210 (June 2012): 403–4.

15. Ibid.

16. Ibid., 407–8.

17. Zheng Wang, *Never Forget National Humiliation: Historical Memory in Chinese Politics and Foreign Relations* (New York: Columbia University Press, 2012).

18. Peter Hays Gries, "A Century of Humiliation," in *China's New Nationalism: Pride, Politics, and Diplomacy* (Berkeley: University of California Press, 2004).

19. Suisheng Zhao, "Foreign Policy Implications of Chinese Nationalism Revisited," in *Construction of Chinese Nationalism in the Early 21st Century: Domestic Sources and International Implications*, ed. Suisheng Zhao (London: Routledge, 2014).

20. The author was interviewed in Lusaka by the party secretary of the Chambishi Copper Smelter for a job, June 9, 2010.

21. Interview with the author, Lusaka–Kitwe, September 4, 2009.

22. In Ethiopia, Miriam Driessen found similar prisonlike seclusion, alienation, and emotional stress exacerbated by numerous thefts that led to a virtual "fortification" of Chinese living quarters on construction sites. She wrote, "Just as pigs were moved from the far end of the compound to the living area, and the sugar from the kitchen to the cook's bedroom, the jerry cans with engine oil were relocated from their storage site next to the mechanic's workshop to

the completely sealed storage bedroom, as were the new truck tyres, the flasks of oil solvent, and spare parts for vehicles. . . . The washing powder was taken out of the kitchen and placed in the bedroom of the cook, together with other food stuffs and seasoning. And the cotton bag with work tools of the laborers who processed the bitumen drums to plates was moved from the outside to the office. Prime truck driver Du Tianfu also moved from the bedroom . . . to the office shortly after three laptops were stolen from the office desks during a crew meeting that was being held in the dining room" ("Asphalt Encounters: Chinese Road Building in Ethiopia" [DPhil thesis, Wolfson College, University of Oxford, 2014], 46).

23. Interview with the author, Chambishi, June 20, 2013.

24. Interview with the author, Lusaka, July 30, 2010.

25. Dr. Sylvester Mashamba, interview with the author, Ndola, July 4, 2009.

26. Interview with the author, Lusaka, August 18, 2011. The chaotic filing system at the Zambia Public Procurement Authority, coupled with the transition process in decentralizing the procurement process to ministries, made it impossible for me to find actual bidding documents for comparison and verification of the figures.

27. Interview with the author, Lusaka, June 14, 2014.

28. Interview with the author, Senanga, August 29, 2011.

29. Interview with the author, Senanga, August 28, 2011.

30. Interview with the author, Sesheki, August 25, 2011.

31. Interview with the author, Senanga, August 28, 2011.

32. Hu Xin and I met several times in Lusaka, as well as in his hometown in Nanchang between 2011 and 2014. His story and comments cited here were compiled from notes on these encounters. Since mid-2014, he has been posted to Malawi as the company's country director.

33. Interview with the author, Lusaka, June 20, 2010.

34. Interview with the author, Lusaka, November 21, 2008.

35. Interview with the author, Lusaka, July 22, 2010.

36. This was expressed by managers on several occasions during my fieldwork at NFCA from October 15, 2012, to December 1, 2012.

37. Interview with the author, Ndola, July 4, 2009.

38. Interview with the author, Kitwe, November 27, 2008.

39. Interview with the author, Chambishi, September 1, 2012.

40. Interview with the author, Lusaka, August 30, 2010.

41. Interview with the author, Chambishi, August 12, 2010.

Chapter 5

1. Beverly Silver, *Forces of Labor: Workers' Movement and Globalization since 1870* (Cambridge: Cambridge University Press, 2003).

2. Miles Larmer, "Historical Perspectives on Zambia's Mining Booms and Busts," in *Zambia, Mining, and Neoliberalism: Boom and Bust on the Globalized Copperbelt*, ed. Alastair Fraser and Miles Larmer (New York: Palgrave Macmillan, 2010), 31–58.

3. Interview with the author, Chambishi, July 7, 2008.

4. Miners feared the misuse of funds and corruption by government and union leaders. For details of the strike, see Miles Larmer, *Mineworkers in Zambia: Labour and Political Change in Post-Colonial Africa* (London: Tauris Academic Press, 2007), 145–48.

5. Interview with the author, Chambishi, July 7, 2008.

6. Interview with the author, Chambishi, September 1, 2012.

7. Anthony Simpasa, Degol Hailu, Sebastian Levine, and Roberto Julio Tibana, "Capturing Mineral Revenues in Zambia: Past Trends and Future Prospects" (discussion paper, United Nations Development Program, Geneva, August 2013), 8.

8. Interview with the author, Chambishi, July 7, 2008.

9. Danielle Resnick, *Urban Poverty and Party Populism in African Democracies* (New York: Cambridge University Press, 2014), 219.

10. Interview with the author, Chambishi, November 3, 2012.

11. Interview with the author, Chambishi, June 26, 2014.

12. Interview with the author, Kitwe July 8, 2009.

13. "Riots Rock Chingola," *Lusaka Times*, March 15, 2012. https://www.lusakatimes.com/2012/03/15/riots-rock-chingola/.

14. Interview with the author, Kitwe, June 27, 2014.

15. Central Statistical Office, *Labour Force Survey Report 2008* (Lusaka, 2011), 53. http://www.zamstats.gov.zm/report/Demo/2008%20Labourforce%20Survey%20Report.pdf.

16. Interview with the author, Lusaka, September 8, 2010.

17. Interview with the author, Chambishi, July 7, 2008.

18. Interview with the author, Kitwe, September 5, 2009.

19. L. J. Butler, *Copper Empire: Mining and the Colonial State in Northern Rhodesia, c. 1930–64* (New York: Palgrave Macmillan, 2007); Larmer, *Mineworkers in Zambia*.

20. Patience Ntelamo Mususa, "There Used to Be Order: Life on the Copperbelt after the Privatisation of the Zambia Consolidated Copper Mines" (PhD diss., University of Cape Town, 2014).

21. Interview with the author, Chambishi, November 10, 2012.

22. Interview with the author, Chambishi, September 1, 2012.

23. Interview with the author, Chambishi, September 1, 2012.

24. Interview with the author, Nchanga, July 5, 2013.

25. Interview with the author, Kitwe, September 5, 2009.

26. Interview with the author, Kitwe, September 7, 2009.

27. Interview with the author, Chingola, September 7, 2009.

28. Interview with the author, Chingola, June 23, 2013.

29. Interview with the author, Chililabombwe, August 8, 2013.

30. Interview with the author, Konkola, August 13, 2013.

31. Interview with the author, Chingola, July 15, 2013.

32. Interview with the author, Chambishi, November 12, 2012.

33. "Thieves Get Away with 1,035 Meters of Copper Cables from Konkola Copper Mines," *Lusaka Voice*, August 25, 2015. http://lusakavoice.com/2015/08/25/thieves-get-away-with-1035-metres-copper-of-cables-stolen-from-konkola-copper-mine/.

34. "Police Foil Copper Theft," *UKZambians*, May 16, 2012. http://ukzambians.co.uk/home/2012/05/16/police-foil-copper-theft.

35. Editorial, *Times of Zambia*, February 15, 2006.

36. Interview with the author, Chambishi, June 18, 2013.

37. Peter Adamu, "Black Mountain Controversy Rages," *Zambia Reports*, September 23, 2015. http://zambiareports.com/2015/09/23/black-mountain-controversy-rages/.

38. "Death of Jerabo Leader Youngson Saddens Lungu," *Post* (Zambia), July 13, 2015.

39. "Eight Global Demos against Vedanta in Africa, India, and London," *Foil Vedanta*, August 3, 2015. http://www.foilvedanta.org/uncategorized/eight-global-demos-against-vedanta-in-afrika

-india-and-london/; "Parallel Protests Carried Out in India, Zambia, and U.K. against Vedanta," *Lusaka Times*, August 4, 2015. https://www.lusakatimes.com/2015/08/04/parallel-protests-carried-out-in-india-zambia-and-u-k-against-vedanta/.

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41. "IndustriALL Targets Glencore for Anti-Union Behavior," IndustriALL Global Union, November 20, 2014. http://www.industriall-union.org/industriall-targets-glencore-for-anti-union-behaviour.

42. Anne-Sophie Simpere, "The Mopani Copper Mine, Zambia: How European Development Money Has Fed a Mining Scandal" (Counter Balance, December 2010). https://www.urgewald.org/sites/default/files/mopani.pdf.

43. "'You'll Be Fired If You Refuse': Labor Abuses in Zambia's Chinese State-Owned Copper Mines," Human Rights Watch, November 4, 2011. https://www.hrw.org/report/2011/11/04/youll-be-fired-if-you-refuse/labor-abuses-zambias-chinese-state-owned-copper-mines; Barry Sautman and Yan Hairong, "The Chinese Are the Worst? Human Rights and Labor Practices in Zambian Mining," *Maryland Series in Contemporary Asian Studies* 3 (Baltimore: Carey School of Law, University of Maryland, 2012).

44. Luke Patey, *The New Kings of Crude: China, India, and the Global Struggle for Oil in Sudan and South Sudan* (London: Hurst & Company, 2014), 170–74. See also Gay Seidman's conclusion in her *Beyond the Boycott: Labor Rights, Human Rights and Transnational Activism* (New York: Russell Sage Foundation, 2007).

45. Fraser and Larmer, *Zambia, Mining, and Neoliberalism*, 48.

46. Interview with the author, Lusaka, July 30, 2010.

47. Interview with the author, Kitwe, August 3, 2010.

48. Larmer, *Mineworkers in Zambia*, 84–85; Lise Rakner, *Political and Economic Liberalization in Zambia, 1991–2001* (Uppsala: Nordic Africa Institute, 2003), 145; Tayo Fashoyin, "Employment Relations in Zambia," *Employment Relations* 30, no. 4 (2008): 391–403.

49. Interview with the author, Kitwe, July 16, 2013.

50. Interview with the author, Wusakile, Kitwe, July 12, 2008.

51. For a description of lifestyle recalled by Copperbelt residents, see Mususa, "There Used to Be Order," 94.

52. Interview with the author, Chingola, July 19, 2008.

53. Interview with the author, Chambishi, July 7, 2008.

54. Interview with the author, Chingola, June 27, 2013. The monetary amount here refers to the new rebased system, with an exchange rate of K5.3 to US$1.

55. Interview with the author, Chingola, June 27, 2013.

56. Based on the information provided by HR managers and unionists, at MCM, strikes occurred in 2003, 2006, 2011, and 2012; at KCM in 2006, 2007, 2009, and 2012; and at NFCA in 2004, 2006, 2007, and 2011.

57. Interview with the author, Chingola, July 5, 2008.

58. Interview with the author, Chingola, December 4, 2008.

59. Interview with the author, Chililabombwe, July 28, 2012.

60. Interview with the author, Chingola, July 5, 2008.

61. Interview with the author, Chingola, August 4, 2010.

62. Interview with the author, NFCA, November 16, 2012.

63. The currency here refers to the new rebased system with an exchange rate of about K5 to US$1.

64. Group interviews with seven casual workers at Simama Lodge, Chambishi, November 3, 2012.

65. Crispen Chinguno, "Marikana: Fragmentation, Precariousness, Strike Violence and Solidarity," *Review of African Political Economy* 40 (2013): 138, 639–46, 641.

66. Interview with the author, Konkola, KCM, August 13, 2013.

67. Entrepreneurial or sideline ventures, chicken runs or vegetable gardens in backyards, occurred in the pre-privatization period as well. Women engaged in petty trade or handicraft production to survive the decline of the national economy beginning in the 1980s. See Mususa, "There Used to Be Order," chapter 3.

68. Fieldwork in Chingola, June 22, 2013.

69. Interview with the author, Chambishi, July 8, 2008.

70. Interview with the author, Chingola, June 23, 2013.

71. Interview with the author, Kitwe, June 27, 2014.

72. Rebecca Davis, "Marikana: The Debt-Hole that Fuelled the Fire," *Daily Maverick*, October 12, 2012. http://www.dailymaverick.co.za/article/2012-10-12-marikana-the-debt-hole-that-fuelled-the-fire#.U2KBsMc2yJg; Lisa Steyn, "Marikana Miners in Debt Sinkhole," *Mail & Guardian*, September 7, 2012. http://mg.co.za/print/2012-09-07-00-marikana-miners-in-debt-sinkhole.

73. Darin Christensen, "Concession Stands: How Foreign Investment Incites Protest in Africa" (working paper, October 28, 2015).

Chapter 6

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2. Howard French, *China's Second Continent: How a Million Migrants Are Building a New Empire in Africa* (New York: Alfred A. Knopf, 2014), 264.

3. George Steinmetz, "Major Contributions to Sociological Theory and Research on Empire, 1830s–Present," in *Sociology and Empire: The Imperial Entanglements of a Discipline*, ed. George Steinmetz (Durham, NC: Duke University Press, 2013), 10.

4. Philip Stern, "The Ideology of the Imperial Corporation: 'Informal' Empire Revisited," in *Chartering Capitalism: Organizing Markets, States, and Publics*, ed. Emily Erikson (Bingley, UK: Emerald Group Publishing, 2015), 20.

5. Max Weber, *The Methodology of the Social Sciences (1903–1917)*, trans. and ed. Edward Shils and Henry A Finch (New York: Free Press, 1997), 90.

6. Deborah Brautigam, *Will Africa Feed China?* (Oxford: Oxford University Press, 2015), 9.

7. Lucy Corkin, *Uncovering African Agency: Angola's Management of China's Credit Lines* (Farnham, UK: Ashgate, 2013).

8. Luke Patey, *The New Kings of Crude: China, India, and the Global Struggle for Oil in Sudan and South Sudan* (London: Hurst & Company, 2014).

9. Ana Cristina Alves, "Chinese Economic Statecraft: A Comparative Study of China's Oil-backed Loans in Angola and Brazil," *Journal of Current Chinese Affairs* 42 (2013): 99–130; Amos Irwin and Kevin Gallagher, "Chinese Mining in Latin America: A Comparative Perspective," *Journal of Environment Development* 22 (2013): 207–34.

10. Elizabeth C. Economy and Michael Levi, *By All Means Necessary: How China's Resource Quest Is Changing the World* (Oxford: Oxford University Press, 2014), 40.

11. "Emerging-Market Multinationals: The Rise of State Capitalism," *The Economist*, January 21, 2012. http://www.economist.com/node/21543160.

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