

# Corruption's Impact on Zimbabwe's Mineral Economy: Enhancing Corporate Governance for Sustainable Economic Growth.

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## Abstract

**Context of the study:** *Zimbabwe is a developing country that is blessed with abundant mineral resources, which have great potential to transform its economy and improve the livelihood of its citizens. Despite substantial mining activities in Zimbabwe, economic growth has remained weak, with corruption identified as one of the major governance factors negatively affecting business innovation and hindering economic growth. In 2024, Zimbabwe ranked 158th out of 180 countries on Transparency International's Perceptions Index and scored 21 out of 100, indicating a high level of perceived corruption. While research has been conducted on the extractive sector, the economy continues to be exploited due to illicit financial flows. The current study seeks to explore the impact of corruption on Zimbabwe's mineral economy, with the ultimate goal of developing evidence-based strategies to combat corruption and promote sustainable economic growth.*

**Research Methodology:** *The study used a qualitative and quantitative approach which employed an exploratory research design. This mixed methods research approach explored the impact of corruption on economic growth to identify effective corporate governance strategies for Zimbabwe. Data was collected through a survey questionnaire and interviews conducted with government officials, mining industry leaders, environmentalists, economists, and local community representatives. The qualitative data was analyzed using a thematic approach to identify recurring patterns, perceptions, and governance challenges related to corruption. The questionnaire received a response rate of 70 out of 80 distributed questionnaires. Data was analyzed using NVivo statistical software.*

## Key Findings and Analysis

*The study unearthed several critical patterns that demand action:*

- *Revenue loss due to illicit financial flows (IFFs) that drain resources meant to benefit citizens. The loss is through mainly tax evasion, smuggling across porous borders and dirty contracts.*
- *Lack of transparency and accountability in awarding contracts and licensing. This creates mistrust between the government and the citizens.*
- *Weak institutional oversight has resulted in no one holding power to account due to understaffing, lack of resources or compromised.*
- *Immense potential for technology and value addition to boost industrial development.*

The study also proffered solutions to address the patterns identified:

- *Development of a new mining tax model that is based on economic resource rent as opposed to taxing profits.*
- *Introduction of drones to monitor porous borders, complemented by enforcement teams.*
- *Automation of licensing and contract awarding systems to reduce human discretion.*
- *Mineral beneficiation to be done locally.*
- *Strongly resourced Independent regulatory and oversight institutions*

**Conclusion and Implications :** *Corruption is a cost and its impact on citizens is catastrophic. The government is starved of funding for essential services such as infrastructure, education and health due to revenue lost through tax evasion, smuggling, dirty contracts and other rent seeking systems, while a few corrupt elements benefit at the expense of many. Corruption continues to harm economic growth despite the existence of several anti-corruption policies that are surrounded by weak regulatory frameworks that allow corruption to thrive, while a lack of openness and inclusive participation create chances for illegal activities. By embracing Transparency, accountability, leveraging technology and strengthening governance, Zimbabwe has the potential to benefit from its mineral wealth for the benefit of its citizens.*

**Key words :** *Corruption, Economic Growth, Corporate governance, Mineral resources*

## **Introduction**

### **Background**

Africa is a dominant mineral-rich continent with most of its nations in a developing stage. It is characterised by exports of raw minerals to mostly developed nations that add value to the minerals and export finished or processed goods back to Africa. In the Southern region of Africa, countries like Botswana, South Africa, Zambia and Mozambique border Zimbabwe and are rich in mineral resources. However, Botswana has become a beacon of excellence in managing its diamonds, and the per capita income has grown from \$50 to \$ 7,000 from the early 1960s to date. Angola has vast diamonds and oil wealth, but suffers from a very high infant mortality rate in the world and extreme poverty (Tepperman, 2016). Zimbabwe is claimed to be rich in many minerals (Chikova & Chilunjika, 2021). Still, the livelihood of citizens is not getting any better and public service is deteriorating with health institutions

suffering the most. Accessing such public services has become a huge cost as such services people are made to pay bribes to individuals.

It is anticipated that with the level of mining in Zimbabwe, there is great potential to transform the economy and improve the livelihood of the citizens. Despite the substantial mining activities in Zimbabwe, economic growth has remained weak, with corruption identified as a major governance factor negatively affecting business innovation and hindering economic growth. Tackling corruption, which is a governance issue, was one of the key strategies used by Botswana and Singapore to resuscitate their economies (Tepperman, 2016). There is manipulation of power for personal gain, wherein state offices are converted into avenues for personal enrichment, perpetuating corruption as an embedded practice in Africa's socio-political landscape (Muhammad, 2023). This is echoed by corruption statistics that Zimbabwe is ranked 158th out of 180 countries on Transparency International's Perceptions Index and scored 21 out

of 100, indicating a high level of perceived corruption (TI, 2024). While academic research has been conducted on the extractive sector, the economy continues to be exploited due to illicit financial flows. The study was therefore conducted to explore the impact of corruption on Zimbabwe's mineral economy, with the ultimate goal of developing effective evidence-based strategies to combat corruption and promote sustainable economic growth.

### **Research gap**

It is anticipated that with the level of mining in Zimbabwe, there is great potential to transform the economy and improve the livelihood of the citizens. Despite the substantial mining activities in Zimbabwe, economic growth has remained weak, with corruption identified as a major governance factor negatively affecting economic growth. Corruption is still perceived as a relatively frequent practice in the country, so in regard to this we must not underestimate the negative effects a corrupt and non-transparent environment has been on increasing the share of the shadow economy, while adding up all the negative consequences to this, (Transparency International 2020b). Nguyen & Luong, (2020) highlighted that shadow economy affects economic growth and a reduction in the size of the shadow economy could be more beneficial for emerging markets. It has been noted by Nyabunze et al (2020) that there is an inverse relationship between tax revenue and corruption in Zimbabwe. In light of the above, there is a need to explore the extent of corruption and develop effective strategies for the mining sector in order to combat corruption and promote economic growth.

### **Research Purpose Statement**

The study was conducted to explore the impact of corruption on Zimbabwe's mineral economy, with the ultimate goal of developing evidence-based

strategies to combat corruption and promote sustainable economic growth.

### **The Main Research Question**

What impact does corruption have on mineral economy in promoting economic growth in mineral-rich developing countries?

### **Research Questions**

- What is the extent of corruption in the Zimbabwe's mineral resource sector?
- What strategies are critical to combat corruption in the Zimbabwe's mineral resource sector?

### **Research Objectives**

The critical objectives of this mixed study are:

- To identify extent of corruption in Zimbabwe's mineral resource sector.
- To evaluate and recommend corporate governance strategies to combat corruption.

### **Significance of the study**

Zimbabwe is rich in mineral resources and its mining industry is key to economic development. Research has been made but the impact of the recommendations are not felt. The study explored the impact of corruption on mineral wealth and offered practical recommendations that can assist Zimbabwe in tapping into its mineral resources.

The recommendations equip policy makers and legislators with better understanding and help in designing better fiscal and anti-corruption policies in the mining sector. The study is also significant to the body of knowledge in that it revealed the root causes of corruption and proffered effective strategies to combat it. The study empirically offered insights into how Revenue authorities can generate revenue from the mining Industry.

### **Literature Review**

#### **2.1. Theoretical Review**

Corruption is a pervasive issue that affects many countries worldwide, particularly in the developing

world Harnois & Gagnon (2022). It has been identified as a significant impediment to economic growth and development, especially in countries rich in natural resources, such as Zimbabwe. Zimbabwe's mineral economy has been severely impacted by corruption, leading to weak institutions and economic economy. The theoretical review aims at providing a comprehensive literature review and theoretical framework for understanding the impact of corruption on Zimbabwe's mineral economy and the role of corporate governance in fostering sustainable economic growth Nyakurukwa & Seetharam, (2023).

### **Theoretical Underpinnings:**

#### **Resource Curse Theory (RCT):**

The Resource Curse Theory (RCT) posits that countries abundant in natural resources, like Zimbabwe's significant mineral wealth, often experience slower economic growth and worse development outcomes than resource-scarce nations. The article explored how corruption significantly exacerbated this "curse" in Zimbabwe's mineral economy Murombo, (2022). Studies examining the period under consideration revealed that corrupt practices, including bribery, embezzlement, and the misallocation of resources, diverted a substantial portion of mineral revenues away from productive investments in infrastructure, education, and healthcare Mousavi & Clark, (2021). Instead of fostering sustainable economic growth, the wealth generated from mineral extraction fueled patronage networks and elite enrichment, undermining good governance and institutional capacity. Consequently, the benefits of mineral wealth failed to translate into improved living standards for the majority of Zimbabweans, highlighting the devastating interplay between the RCT and pervasive corruption. The analysis demonstrated that the weak corporate governance structures further

facilitated corrupt activities, hindering transparency and accountability within the sector and ultimately exacerbating the negative impacts of the resource curse.

#### **Principal-Agent Theory:**

The principal-Agent theory provided a crucial framework for understanding the pervasiveness of corruption within Zimbabwe's mineral economy Harnois & Gagnon, (2023). The pervasive corruption was further expounded by Muhammad, Wasiiu and Ahmad (2023) in which the Prebendal Theory posits that state offices are treated as prebends, open to appropriation by officeholders who leverage them to generate personal benefits for themselves, their constituents, and kin groups. The research explored how the inherent information asymmetry and conflicting interests between principals (the Zimbabwean government, representing the citizenry's ownership of mineral resources) and agents (mining companies, government officials, and other intermediaries) fueled corrupt practices. Agents, possessing superior knowledge of mining operations and regulatory processes, frequently exploited this advantage for personal gain, often at the expense of the principal's objectives namely, maximizing revenue and ensuring sustainable economic growth. This manifested in various forms of corruption, including bribery, embezzlement of funds, and the manipulation of contracts and licensing procedures. The study highlighted how weak corporate governance structures, including inadequate oversight mechanisms and a lack of transparency and accountability, exacerbated the principal-agent problem, allowing corrupt activities to flourish unchecked Jaafar, (2024). Ultimately, the failure to effectively align the incentives of agents with those of the principals significantly hindered the development of a sustainable and equitable mineral sector.

### **Stakeholder Theory:**

Stakeholder theory provides a crucial lens through which to examine the detrimental impact of corruption on Zimbabwe's mineral economy. The research explored how corrupt practices undermined the interests of various stakeholders including the government, mining companies, local communities, and international investors preventing the realization of sustainable economic growth Money & Money, (2025). The government, burdened by embezzlement and bribery, failed to effectively regulate the sector, leading to resource depletion and revenue loss. Mining companies, complicit in some instances or vulnerable to extortion, prioritized short-term profits over long-term sustainability and ethical operations. Local communities, often deprived of fair compensation and environmental protection, suffered from the negative externalities of unregulated mining activity. International investors, wary of the high risk associated with corruption, hesitated to inject capital, hindering economic development. This analysis highlighted the interconnectedness of stakeholder interests and the systemic nature of corruption's damage, demonstrating how a failure to address the needs and concerns of all stakeholders contributed to the overall economic malaise experienced in Zimbabwe's mineral sector Matsa et al, (2024). The study ultimately argued that enhancing corporate governance mechanisms, designed to explicitly consider and protect the legitimate interests of all stakeholders, constituted a critical pathway towards fostering sustainable and ethical growth within the mineral economy.

### **Good Governance Theory:**

Good governance theory, applied to the context of Zimbabwe's mineral economy and its struggle with corruption, posited that effective governance structures were crucial for sustainable economic growth Chigudu, (2021). The research explored how a lack of transparency, accountability, and the

rule of law hallmarks of poor governance fostered corruption within the sector. Studies examined how opaque decision-making processes surrounding mineral extraction contracts, coupled with weak regulatory oversight, allowed corrupt practices to flourish. This manifested in various forms, including bribery, embezzlement of revenues, and the illicit flow of mineral wealth out of the country. The article investigated how this governance failures undermined investor confidence, deterred foreign direct investment, and ultimately stifled economic development within Zimbabwe's mineral sector. Analysis considered the role of institutional weaknesses, such as a lack of independent anti-corruption bodies and insufficient capacity within state institutions, in perpetuating the cycle of corruption. Finally, the research assessed the potential of enhanced corporate governance mechanisms such as improved transparency and disclosure requirements, strengthening internal controls, and promoting ethical business practices to mitigate corruption's impact and pave the way for sustainable growth Manginte, (2024).

**Neo-Institutionalism:** This perspective highlighted the role of formal and informal institutions (rules, norms, laws, and common practices) in shaping economic behavior and outcomes. Corruption was viewed as a manifestation of weak or dysfunctional institutions Peeters & Campos, (2023). Corporate governance mechanisms, as formal institutions, were designed to create clear rules, enforce compliance, and reduce discretion, thus limiting opportunities for corruption. The theory suggested that sustainable economic growth in the mineral sector was contingent upon the establishment and effective enforcement of robust institutional frameworks promoting integrity and accountability.

Collectively, these theories provided a robust framework for analyzing how corruption impacted

Zimbabwe's mineral economy and how improved corporate governance could offer a pathway to sustainable economic growth Prabhakar, (2025). The Resource Curse explained the general predicament, Principal-Agent theory identified the mechanism of corrupt acts, Stakeholder theory broadened the scope of harm, Good Governance theory provided the normative ideal, and Neo-institutionalism underscored the importance of strong institutional frameworks.

### **Conceptual Framework:**

This conceptual framework explored the detrimental effects of corruption on Zimbabwe's mineral economy and proposed strategies for enhancing corporate governance to foster sustainable economic growth. The study adopted a multi-faceted approach, recognizing the interconnectedness of various factors.

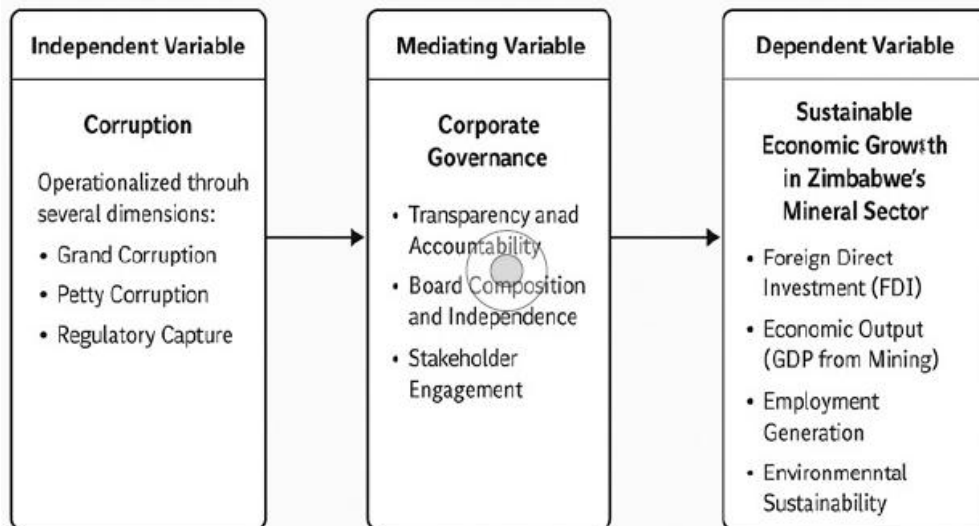
This article explored the detrimental impact of corruption on Zimbabwe's mineral economy, focusing on how weak corporate governance structures exacerbated the problem and hindered sustainable economic growth. The conceptual framework posited a causal relationship between corruption (specifically bribery, embezzlement, and illicit financial flows within the mining sector), weak corporate governance mechanisms (including inadequate transparency, accountability, and regulatory oversight), and negative economic outcomes Naidoo, G. (2024). This framework

considered the strength of the causal links between corruption, governance, and economic growth.

The study explored how corrupt practices directly affected key aspects of the mineral economy. This included analyzing the impact on revenue collection (through tax evasion and resource misallocation), environmental sustainability (through disregard for environmental regulations), and the overall attractiveness of the mining sector to both domestic and foreign investment Chase, Shepherd & Souitaris, (2025). The framework also acknowledged the feedback loop between weak governance and entrenched corruption, highlighting how a lack of transparency and accountability created fertile ground for corrupt activities, further undermining economic development.

Ultimately, the framework supported the article argument that strengthening corporate governance through reforms aimed at enhancing transparency, accountability, and regulatory enforcement was essential for mitigating the negative consequences of corruption and fostering sustainable growth in Zimbabwe's mineral sector Tendere & Belemu, (2024). The empirical analysis tested the hypothesized relationships within the framework, providing evidence to guide policy recommendations for improving governance structures and combating corruption within the mining industry.

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**Empirical Review:**

This empirical review examined the significant impact of corruption on Zimbabwe's mineral economy, focusing on its detrimental effects on sustainable economic growth. Studies reviewed consistently a strong negative correlation between levels of corruption and key economic indicators within the mining sector Hope, (2024). These included reduced foreign direct investment, hampered technological advancement due to opaque and unpredictable regulatory environments, and suppressed revenue generation caused by illicit financial flows and tax evasion. Furthermore, the research highlighted the erosion of investor confidence, leading to capital flight and a diminished capacity for long-term investment in exploration, extraction, and value addition Saxena et al, (2024). The prevalence of bribery, embezzlement, and patronage networks within the governance structure significantly constrained the sector's potential for growth and development.

Analysis of existing literature demonstrated the critical role of corporate governance mechanisms in mitigating the negative effects of corruption. Studies explored the efficacy of various strategies, including strengthening regulatory frameworks, promoting transparency and accountability in mining operations, enhancing public procurement

processes, and fostering independent oversight bodies. Empirical evidence suggested a positive relationship between robust corporate governance practices and increased economic performance within the mineral sector Okafor, et al, (2021). Research highlighted the successes of initiatives focused on enhancing transparency in revenue management, strengthening anti-corruption agencies, and promoting stakeholder engagement in decision-making processes. These initiatives often led to improved resource allocation, increased investor confidence, and ultimately, sustained economic growth.

In conclusion, the empirical review underscored the pervasive negative impact of corruption on Zimbabwe's mineral economy, hindering sustainable economic growth Prabhakar, (2025). The reviewed literature strongly supported the need for comprehensive reforms focused on strengthening corporate governance structures, promoting transparency and accountability, and enhancing the effectiveness of anti-corruption measures within the mining sector. Future research should focus on identifying specific policy interventions and their effectiveness in achieving sustainable economic growth while considering the unique context of Zimbabwe's political and economic landscape Madondo, & Dhobha, (2025).

## Research Methodology

### Research Design

The study used a qualitative and quantitative approach which employed an exploratory research design. This mixed methods research approach explored the impact of corruption on economic growth to identify effective corporate governance strategies for Zimbabwe. The exploratory design was employed within the qualitative phase to gain deeper insights from stakeholders on the socio-economic effects of corruption on mineral wealth and identification of critical strategies that the government can implement to combat corruption.

The qualitative research approach involved collecting non-numerical data through a survey questionnaire and interviews conducted with government officials, mining industry leaders, environmentalists, economists, and local community representatives. The qualitative data was analyzed using a thematic approach to identify recurring patterns, perceptions, and governance challenges related to corruption. The quantitative research approach focused on analysing the statistical outcome from the qualitative data on corruption. A random sampling technique and purposive sampling were used in the study. Purposive sampling, was important for intentionally selecting participants based on their possession of particular knowledge or experiences.

## Results & Interpretation

### Introduction

This section explored the lived experiences and perspectives of important stakeholders in Zimbabwe's mineral economy, delving into the qualitative components of this study. It also presents results of in-depth interviews with a wide range of people, including government representatives, mining company representatives, civil society actors, and community members from

different regions. These interviews reflect a variety of viewpoints regarding the effects of corruption on the industry. By analyzing this qualitative data, using a statistical package called NVivo, recommendations for improved corporate governance are informed by deep insights into the complex ways corruption appears and its effects on long-term economic growth.

### Demographic Analysis

This approach helps researchers better adapt studies to the needs and reality of certain communities by identifying patterns, trends, and distinctions within particular groups.

The 70 survey respondents who took part in the study's qualitative strand are analyzed below. Not included here are the 15 interviewees who were selected proportionately from the same stakeholder groups.

### Stakeholders

Stakeholder Group	Participants	Percentage
Government Officials	14	20.0%
Mining Industry Leaders	18	25.7%
Environmentalists	10	14.3%
Economists	12	17.1%
Local Community Representatives	16	22.9%
<b>Total</b>	<b>70</b>	<b>100.0%</b>

Nearly half of respondents to a poll on the effects of corruption on Zimbabwe's mineral industry were mining leaders and representatives of the local community, indicating their strong interest in the problem. The smallest percentage of respondents

(14.3%) were environmentalists, highlighting the necessity of increased corporate governance to combat corruption and promote sustainable economic growth.

**Gender**

Gender	Participants	Percentage
Male	45	64.3%
Female	25	35.7%
<b>Total</b>	<b>70</b>	<b>100.0%</b>

Survey responses reveal a significant male predominance (64%) when looking at the dynamics of governance and the extractive industry within Zimbabwe's mineral economy, underscoring the gender gap in these crucial areas. But with 36% of the respondents being female, their voices are important, especially for environmentalists and community leaders, who highlight how important they are to conversations about corporate governance and sustainable economic growth. In addition to reflecting the variety of viewpoints required to tackle the intricate problems of corruption, this gender representation is essential because it highlights how inclusive decision-making processes are essential to creating a more just and sustainable mineral economy (Kansake et al, 2021).

**Age**

Age Range	Participants	Percentage
20–30	10	14.3%
31–40	25	35.7%
41–50	20	28.6%
51+	15	21.4%
<b>Total</b>	<b>70</b>	<b>100.0%</b>

According to the cohort demographic study, the greatest group of respondent's 36 percent are between the ages of 31 and 40, indicating that mid-career professionals are frequently found in senior governance positions. Only 14% of participants are under 30, which highlights the substantial barriers to entry for younger people hoping to hold leadership roles. According to this pattern, established experts may have a disproportionate amount of influence over governance in Zimbabwe's mining industry, which could impede the possibility of sustained economic growth and prolong cycles of corruption (Mataba, 2023). Addressing these inequalities and fostering a more inclusive future for governance in this industry require improved corporate governance.

**Educational**

Qualification	Count	Percentage
Diploma	10	14.3%
Bachelor's	30	42.9%
Master's	30	42.9%
<b>Total</b>	<b>70</b>	<b>100.0%</b>

Eighty-six percent of the sample had graduated with a bachelor's or master's degree, indicating a high degree of technical proficiency relevant to the thesis on "Corruption's Impact on Zimbabwe's Mineral Economy: Enhancing Corporate Governance for Sustainable Economic Growth." This high level of education not only indicates a solid background in pertinent fields, but it also shows that the authors have the critical thinking abilities needed to evaluate the complex interrelationships between corruption, governance, and economic viability in Zimbabwe's mining industry. Such a highly educated group is probably going to offer insightful opinions and suggestions for developing good corporate governance in order

to reduce corruption and advance regionally sustainable economic growth.

**Derivation of Themes**

Main Theme	Sub-Theme 1	Sub-Theme 2	Sub-Theme 3
<b>Extent of Corruption</b>	Forms of Corruption (e.g., bribery, embezzlement, illicit financial flows)	Actors Involved (e.g., government officials, mining companies, intermediaries)	Impact of Corruption (e.g., economic losses, environmental damage, social inequality)
<b>Corporate Governance Strategies</b>	Transparency and Accountability Mechanisms (e.g., open contracting, beneficial ownership disclosure)	Regulatory Frameworks and Enforcement (e.g., effectiveness of existing laws, capacity of regulatory bodies)	Stakeholder Engagement and Collaboration (e.g., role of civil society, community participation, international cooperation)

**Theme 1: Extent of Corruption**

Corruption greatly damages Zimbabwe's mining sector, limiting sustainable economic growth. Corruption emerges in different forms, from bribery and embezzlement to illegal financial flows and opaque contract awards, all of which distort resource allocation, erode investor trust, and impede competition. This extensive corruption diverts funds away from vital development projects, decreases the state's capacity to oversee the sector efficiently, and ultimately limits the potential economic advantages received from Zimbabwe's enormous mineral resources (Prince et al, 2023).

**Sub Theme 1: Forms Of Corruption**

In Zimbabwe's mineral industry, corruption takes many different forms and seriously impedes long-term, sustainable economic growth. Bribery is pervasive, affecting the equitable distribution of mining concessions and swaying regulatory choices. The government loses out on vital funding for development when mining operations' profits

are embezzled. Through tax evasion and money laundering, illicit financial flows worsen the issue by impeding accountability and transparency and, in the end, limiting investment and economic growth in the industry.

*‘Corruption is a cancer eating away at the heart of our mining industry. It's not just about bribery; it's a systemic problem affecting every level. The consequences are clear: lost revenue, environmental damage, and a chilling effect on investment.’*

**Sub theme 2: Actors involved**

A complicated network of actors is involved in corruption in Zimbabwe's mineral industry. Government representatives are important actors who frequently assist illegal activity through licensing, regulatory supervision, and taxation. Both domestic and foreign mining corporations may underreport their output or participate in bribery. The transit and sale of illegally mined minerals are greatly aided by intermediaries, such as brokers, merchants, and transporters, who also

conceal the source and recipients of the profits. Sustainable economic growth and efficient government are hampered by these actors' collusion.

*'Underreporting is common, a way to avoid taxes and royalties. Bribery is also used to secure advantages and avoid penalties. It's a game of who can pay the most, and unfortunately, often the "most" isn't very much.'*

*'Growth cannot be sustained. Public services are hampered by the sharp decline in government revenue. Investor trust is damaged, and the rule of law is undermined. The cycle of depletion and deterioration is self-sustaining.'*

*'There is widespread government engagement. Tax evasion is common, regulatory oversight is lax and easily evaded, and licenses are frequently issued incorrectly. The system is not meant to be regulated, but rather exploited.'*

### **Sub theme 3: Impact of corruption**

The mineral economy of Zimbabwe is severely weakened by corruption, which impedes long-term economic expansion. Widespread bribery and embezzlement cause significant financial losses by taking money meant for resource exploration, infrastructure development, and worker welfare. Corruption-induced lax enforcement of environmental laws results in unrestrained pollution and unsustainable mining activities, which harm the ecosystem. This increases social inequality by generating wealth gaps and limiting chances for underserved populations, especially when combined with the uneven distribution of mining licenses and contracts that favor dishonest authorities. A vicious cycle of poverty and underdevelopment is created by the ensuing lack of accountability and transparency, which deters foreign investment and slows economic growth. Strengthening corporate governance through effective anti-corruption measures, encouraging resource management openness, and enabling civil

society to keep an eye on and denounce corrupt practices are all necessary to address this.

*(Mining Manager) "Notable. Every year, millions are lost. It depletes the industry.*

*(Activist for the Environment): "Unsustainable. Pollution is uncontrolled. Our country suffers.*

*(Leader of the Community): "Broadens the divide. Those who need the benefits the most don't receive them.*

## **Theme 2: Corporate governance Strategies**

Improving corporate governance practices is essential to reducing adverse effects of corruption. Enforcing strict regulatory frameworks, encouraging transparency and accountability in all transactions involving the mineral sector, putting in place strong anti-corruption measures, and cultivating an ethical culture within government agencies and mining firms are all necessary to achieve this.

### **Sub theme 1: Transparency and Accountability Mechanisms**

The mineral economy of Zimbabwe is severely weakened by corruption, which impedes long-term economic expansion. Increasing accountability and transparency is a key component of the fight against this. For example, open contracting can reveal covert agreements and guarantee equitable competition when mining contracts and licenses are given out. Similar to this, mandatory beneficial ownership disclosure reveals the ultimate controllers of mining firms and stops money laundering and the use of shell corporations to hide illegal activity. Zimbabwe can increase trust, draw in ethical investors, and enhance the general governance of its mineral industry by putting these policies into place and rigorously enforcing them. This will open the door for equitable and sustainable economic growth.

*'Corruption causes misallocation of resources and distorts competition. When mining contracts are given out through opaque procedures, we miss out on possible profits and investments that may support sustainable growth.'*

*'Open contracting makes it possible for stakeholders and citizens to examine government operations. By guaranteeing that contracts are given out equitably and openly, it reduces the possibility of covert agreements, which is essential for building confidence.'*

*'The people who ultimately run mining firms are revealed via mandatory disclosure. In order to stop money laundering and stop shell corporations from being used for illegal purposes, transparency is essential. In the end, it results in a more responsible and reliable setting.'*

*'Today's investors are concerned about ethics and sustainability. Zimbabwe becomes an appealing location for responsible investment when it enacts strong transparency measures, which send a message to the international market that the government takes good governance seriously.'*

### **Sub theme 2 : Regulatory Frameworks and Enforcement**

The degree to which corruption affects Zimbabwe's mineral economy is greatly influenced by the efficiency of its legal and enforcement systems. Corruption is encouraged by bribery, illegal financial flows, and opaque licensing procedures, which are made possible by weak laws and a lack of oversight in regulatory agencies such as the Ministry of Mines and Mining Development. The issue is made worse by these bodies' insufficient funding and experience, which make it difficult to conduct efficient investigations, bring charges, and enforce sanctions. In order to strengthen these frameworks, it is necessary to invest in the capacity building of regulatory authorities to enable efficient monitoring, enforcement, and prosecution of corrupt acts within the mining industry, in

addition to changing current legislation to improve transparency and accountability. This includes giving them the tools, resources, and training they need to stop complex corruption schemes and stop the misappropriation of mineral profits.

*'There are numerous flaws in the system,' says Expert 1 (on licensing). Regulations can be easily circumvented with the correct contacts.'*

*'Investigations are crippled by a lack of funding and expertise,' said Expert 2 (on enforcement). The process of filing charges and getting convictions is very challenging.'*

*'Regulatory bodies lack the tools and training to effectively tackle complex corruption schemes,' said Expert 3 (on capacity). They just aren't up to par.'*

### **Sub theme 3: Stakeholder Engagement and Collaboration**

Reducing the negative effects of corruption on Zimbabwe's mineral economy requires effective stakeholder involvement and cooperation. Strong civil society involvement is therefore required to ensure accountability and openness in the management and exploitation of mineral resources. By ensuring that local residents enjoy the benefits of their natural resources and have a say in decision-making, community involvement helps to reduce the likelihood that unscrupulous practices will take advantage of them. International collaboration is also necessary to set up efficient monitoring systems, exchange best practices, and offer technical support for bolstering corporate governance frameworks in the industry. This includes collaborations with groups that prioritize sustainable resource management and anti-corruption initiatives. Sustainable economic growth in Zimbabwe can be facilitated by such cooperative efforts, which can also improve transparency and encourage ethical mining operations.

*Representative of Civil Society: 'Accountability is essential. To ensure transparency and benefit local communities, civil society oversight must be strengthened. Civil society oversight must be able to monitor mining activities and uncover corruption.'*

*Community Leader: 'Our communities must be more than just recipients; they must be active participants.' Being actively involved in resource extraction decision-making processes directly lowers the likelihood of exploitative behaviour.'*

*International Development Expert: 'International cooperation is essential to the development of effective monitoring systems.' 'The fight against corruption is strengthened by exchanging best practices and offering technical assistance for corporate governance.'*

*Representative of the Mining Industry: 'Ethical mining is not only morally required, but also profitable. For long-term sustainability and trust-building, cooperation with international organizations specializing in anti-corruption and sustainable resource management is essential.'*

## **Discussion of the findings**

Qualitatively, stakeholders describe a “cancer eating away” at revenue streams echoing earlier studies on governance failures in extractive industries. This convergence underscores how entrenched corrupt practices erode investor confidence and divert resources from critical development projects.

Demographic data mid-career professionals (31–40 years), predominantly male (64%), and highly educated (86% with bachelor's or master's degrees) suggests that informed voices perceive both the scale of the problem and potential solutions. The strong representation of mining leaders and community representatives (together 48%) indicates that those closest to operations experience firsthand the costs of corruption:

reduced state capacity, environmental harm, and social inequality. The data, as echoed by Matenda & Chipindi (2024) demonstrate a substantial association between corruption and the underperformance of Zimbabwe's resource sector. Grand corruption, covering high-level theft and illegal money flows, greatly inhibits investment, discourages foreign involvement, and diverts resources away from vital developmental initiatives within the mining industry. This is evidenced by a demonstrable lack of transparency in mining contracts, opaque licensing processes, and the prevalence of bribery and patronage in awarding concessions. The consequent loss of revenue immediately effects the government's capacity to invest in infrastructure, human capital development, and social services, all vital for sustainable economic growth pushed by the mining industry Hepburn et al, (2021).

Furthermore, the research illustrates how petty corruption, comprising routine bribery and extortion at many levels throughout the mining value chain, produces enormous operational inefficiencies Henze et al, (2020). This lowers productivity, hinders formalization of mining activities, and raises the cost of doing business. Small-scale miners, particularly vulnerable to these activities, suffer enormous impediments to entrance and expansion, restricting their potential contribution to the economy. The proliferation of such methods also weakens the rule of law, producing an unstable and uncertain economic climate that deters both domestic and international investors from investing in the industry Atta & Sharifi, (2024).

Strengthening corporate governance mechanisms is crucial to mitigating the negative impacts of corruption Kassem, (2022). The findings underline the necessity for comprehensive legal and regulatory frameworks with efficient enforcement mechanisms. This includes open licensing

procedures, competitive bidding processes for mining concessions, reinforced anti-corruption organizations with expanded independence and ability, and better public procurement systems Yaghi, (2023). Furthermore, fostering openness and accountability among mining corporations through statutory disclosure requirements, independent audits, and effective internal controls is vital.

Ultimately, sustained economic growth in Zimbabwe's mining sector requires a comprehensive approach that addresses both grand and petty corruption. This demands not just legislative reforms but also a larger social movement towards ethical business practices, improved institutions, and active public engagement in holding both government and corporate actors accountable Thelma, & Chitondo, (2024). Only with a multidimensional approach that blends good governance, openness, and accountability can Zimbabwe exploit the full potential of its mineral resources for the benefit of its population and achieve sustained economic growth.

## **Conclusion**

Petty bribery at the operational level and grand corruption at the highest governmental levels are both widespread issues in Zimbabwe's mineral industry. This long-standing rent-seeking system deprives the country of its wealth and jeopardizes sustainable development. The study emphasizes how urgently significant reform is required.

All parties involved in the mining industry government representatives, mining firms, and local communities strongly concur that greater openness, stronger regulatory capabilities, and more inclusive participation are vital. Weak regulatory frameworks allow corruption to thrive, while a lack of openness creates chances for illegal activity. To guarantee that the advantages of

mineral wealth are distributed fairly and that local issues are taken care of, meaningful community involvement is crucial.

According to our demographic research, there is a sizable pool of mid-career mining industry experts in Zimbabwe who have the skills and background necessary to promote significant governance reforms. This generation is keen to help make the sector more accountable and transparent. However, their capacity to bring about constructive change is hampered by systematic institutional hurdles, such as a culture of impunity and a lack of protection for whistleblowers. To realize this potential, these obstacles must be removed.

To revive Zimbabwe's mining industry, targeted anti-corruption initiatives are essential. Using open contracting techniques will improve procurement procedures' accountability and openness. Deterring illegal activity and revealing concealed financial flows are two benefits of establishing a strong beneficial ownership record. Deterring future crimes requires bolstering law enforcement and making sure corrupt actors are successfully prosecuted. In addition to restoring investor trust, these measures will safeguard the environment and promote a fairer allocation of mineral riches, all of which will eventually lead to a more prosperous and just Zimbabwe.

## **Recommendations**

### **Mandate Open Contracting**

Mandating open contracting in the mining sector is crucial for transparency and accountability. Publishing all mining licenses and contract awards online, in machine-readable formats like XML or JSON, allows for easy access and analysis of this critical data by the public, researchers, and oversight bodies. This accessibility fosters a more informed citizenry and empowers them to participate in monitoring government activities.

Engaging civil society in the verification process is a vital component of open contracting. By providing readily available data, civil society organizations (CSOs) and other independent actors can scrutinize contract terms, identify potential conflicts of interest, and flag any discrepancies between awarded contracts and publicly declared policies or. This independent oversight serves as a powerful check against corruption and ensures that contracts are awarded fairly and transparently.

### **Enforce Beneficial Ownership Disclosure**

For accountability and transparency in the mining industry, beneficial ownership disclosure must be enforced. This mandates that mining companies disclose their ultimate ownership structures to the public, identifying the people and organizations that ultimately run and profit from the business's operations. This openness encourages prudent investing and aids in the prevention of illegal activity.

Money laundering and other financial crimes are made easier by the mining industry's use of shell corporations to conceal ownership. This behavior will be discouraged and increased adherence to disclosure rules will result from the imposition of severe fines for employing such arrangements to hide beneficial ownership. These fines ought to be high enough to offset the alleged advantages of confidentiality.

Tough measures are required to stop money laundering in the mining industry. This entails thorough due diligence protocols for every transaction, increased examination of high-risk jurisdictions, and efficient cooperation between law enforcement, financial institutions, and mining companies. It is crucial to focus on money laundering and shell company concealment through efficient investigations and prosecutions.

### **Strengthen Regulatory Capacity**

A multifaceted strategy aimed at enhancing the capabilities of the pertinent government agencies is needed to strengthen regulatory capacity in the mining industry. Funding the Ministry of Mines and related organizations is the first step in this process. Sufficient people, equipment, and the creation of reliable monitoring systems are all essential for efficient supervision. Even the most well-meaning regulations are mostly useless without enough money.

Giving ministry employees technical training is equally important. From comprehending intricate geological data and environmental impact assessments to becoming proficient in contemporary data analysis and risk management methodologies, this training ought to cover a broad spectrum of competencies. Navigating the complexities of the mining industry and maintaining compliance require a skilled workforce.

Lastly, a solid collaboration with anti-corruption organizations is essential for effective regulation. Building expertise in complex financial investigations and the effective prosecution of crimes related to mining should be the main goals of this partnership. To discourage illegal activity and guarantee transparency in the industry, cooperative training initiatives, information exchange, and coordinated enforcement actions are essential. This collaboration serves to provide a level playing field for respectable mining operators and encourages responsibility.

### **Institutionalize Stakeholder Engagement**

A systematic method is necessary to institutionalize stakeholder participation in order to guarantee accountability and inclusivity over the course of a project or effort. This goes beyond straightforward consultation and seeks to incorporate a range of viewpoints into the process of making decisions. Developing sincere

relationships with all stakeholders that are based on respect and trust is essential.

Important accountability and transparency procedures are provided by the creation of multi-stakeholder oversight committees at the national and local levels. These committees, which are made up of representatives from the public and private sectors, civil society, and impacted communities, are able to track developments, pinpoint problems, and offer suggestions for solutions. They also make sure that the objectives of the project are in line with the priorities and needs of the community.

Fostering ownership and sustainability requires empowering local communities with clear revenue-sharing plans and easily accessible grievance procedures. Benefits are distributed fairly and clearly to guarantee that the communities that are directly impacted experience real benefits. Good grievance procedures offer a forum for addressing issues and swiftly and equitably settling disagreements, fostering trust and averting confrontations. Rather of using a top-down approach, this active participation cultivates a sense of cooperation.

### **Leverage International Cooperation**

Sustainable mining methods and successful anti-corruption initiatives depend on utilizing international cooperation. Through proactive cooperation with development partners, countries can obtain essential technical support, filling the knowledge and resource gaps required to set up reliable digital monitoring systems. Software sharing, staff training, and continuing support for the upkeep and enhancement of these vital systems might all be part of this partnership. Better accountability and transparency throughout the mining industry are the end result.

Additionally, sharing best practices is made easier by taking part in regional meetings devoted to sustainable mining and anti-corruption. These

forums are excellent places to exchange effective tactics, spot new problems, and gain knowledge from both achievements and setbacks in various national settings. This cooperative strategy makes it possible to modify and execute successful policies, resulting in a more unified and significant approach to thwarting corruption and encouraging sustainable practices throughout the region. More effective and efficient treatments are fostered by the collective knowledge.

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