Historical Migration, Inter-State Relations, and Accumulation Regimes
Chinese Investments in Philippine and Zambian Mining

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Introduction

- Modes and Accumulation Regimes of Chinese Outward FDI
- Philippine Artisanal Small-Scale Mining (ASM)
- Zambian Large-Scale Mining (LSM)
- Impact of interstate relations; Chinese overseas community; and the materiality of resources
Comparative Case Analysis

- Cross region comparison: Southeast Asia and Sub-Saharan Africa

- Cross scale: Artisanal Small-Scale Mining and Large Scale Mining

- Materiality of resources: Gold and Copper
Regional Aspects of Chinese FDI

- Southeast Asia: varies based on country income level, state capacity, and economic models.

- Sub-Saharan Africa: focused on infrastructure which is typically tied to resource extraction; some manufacturing
Regional Aspects of Chinese FDI
Interstate Relations

The Philippines


Interstate Relations

The Philippines

Source: Central Bank of the Philippines, 2017
# Interstate Relations

## The Philippines

<table>
<thead>
<tr>
<th>Mining Company</th>
<th>Broad Ownership Structure</th>
<th>Major Mines Extracted</th>
<th>Major Mines in the Philippines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apex Mining</td>
<td>90% Filipino, 10% Foreign</td>
<td>Silver, Copper, Lead, Gold</td>
<td>Compostela Valley, Cagayan Region</td>
</tr>
<tr>
<td>Atlas Consolidated</td>
<td>80% Filipino, 20% Canadian</td>
<td>Gold, Copper, Nickel</td>
<td>Baguio, Abra, Trinidad</td>
</tr>
<tr>
<td>Manila Mining Corporation</td>
<td>80% Filipino, 10% Foreign</td>
<td>Gold, Copper, Silver</td>
<td>Suriago Del Norte, Masbate Area</td>
</tr>
<tr>
<td>Phil Ex Mining Corporation</td>
<td>80% Filipino, 20% Chinese (Pacific First Corporation)</td>
<td>Gold, Copper, Black Sand</td>
<td>CAR, Santo Tomas Region, Bumulo Project</td>
</tr>
<tr>
<td>Oceania Gold</td>
<td>45% Canada, 35% Canada, 2% New Zealand,</td>
<td>Gold, Nickel, Lead</td>
<td>Nueva Vizcaya and Quirino</td>
</tr>
<tr>
<td>Sagittarius Mines</td>
<td>55%, Canadian (Indophil Resources), 45% Australian (Glencore Xtrata)</td>
<td>Gold, Copper, Silver</td>
<td>Tampakan Copper-Gold Project</td>
</tr>
<tr>
<td>TVI Resources</td>
<td>30% Canada, Filipino owned but based in Canada</td>
<td>Gold, Silver, Magnetite</td>
<td>Mindoro, Agusan Del Sur</td>
</tr>
</tbody>
</table>
Interstate Relations

Zambia

- China-Zambia relationship characterized as state-centric

- Historical bilateral relationship

- Specialized economic zones and Zambia-China Cooperation Zone
### Interstate Relations

**Zambia**

#### Chinese FDI to Zambia In Millions of USD

![Graph showing Chinese FDI to Zambia](image)

#### FDI Stock in Millions of USD

<table>
<thead>
<tr>
<th>Country</th>
<th>2006</th>
<th>2007</th>
<th>Percentage Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>873.6</td>
<td>1166.0</td>
<td>25.1</td>
</tr>
<tr>
<td>Bermuda</td>
<td>746.0</td>
<td>820.4</td>
<td>9.1</td>
</tr>
<tr>
<td>Canada</td>
<td>232.7</td>
<td>379.7</td>
<td>38.7</td>
</tr>
<tr>
<td>China</td>
<td>213.5</td>
<td>426.6</td>
<td>50.0</td>
</tr>
<tr>
<td>France</td>
<td>94.3</td>
<td>126.8</td>
<td>25.6</td>
</tr>
<tr>
<td>Holland</td>
<td>339.7</td>
<td>407.9</td>
<td>16.7</td>
</tr>
<tr>
<td>India</td>
<td>1196.1</td>
<td>1338.0</td>
<td>10.6</td>
</tr>
<tr>
<td>Ireland</td>
<td>255.8</td>
<td>162.7</td>
<td>-57.2</td>
</tr>
<tr>
<td>Russia</td>
<td>243.9</td>
<td>357.8</td>
<td>31.8</td>
</tr>
<tr>
<td>Switzerland</td>
<td>774.2</td>
<td>923.9</td>
<td>16.2</td>
</tr>
<tr>
<td>UK</td>
<td>94.3</td>
<td>246.5</td>
<td>61.7</td>
</tr>
</tbody>
</table>

*Source: UNCTAD World Investment Report 2014*

*Source: Bank of Zambia (Kamwanga, J & Koyi, G (2009))*
## Interstate Relations

### Zambia

<table>
<thead>
<tr>
<th>Mines</th>
<th>Ownership</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chambishi</td>
<td>85% ownership &lt;br&gt; NFC Africa Mining Plc and &lt;br&gt; China Non-ferrous Metal Mining Group Co &lt;br&gt; 15% ownership &lt;br&gt; Zambia Consolidated Copper Mines Investment Holdings</td>
<td>Chinese</td>
</tr>
<tr>
<td>Lumwana Mining Corp</td>
<td>100% ownership &lt;br&gt; Equinox Minerals Ltd</td>
<td>Australian</td>
</tr>
<tr>
<td>Konkola Copper Mines</td>
<td>51% ownership &lt;br&gt; Vedanta Resources Plc &lt;br&gt; 20.6% ownership &lt;br&gt; Zambia Consolidated Copper Mines Investment Holdings &lt;br&gt; 28.4% ownership &lt;br&gt; Zambia Copper Investments Ltd</td>
<td>UK, Zambia</td>
</tr>
<tr>
<td>Mopani Copper Mines</td>
<td>73.1% ownership &lt;br&gt; Glencore International &lt;br&gt; 16.9% ownership &lt;br&gt; First Quantum Minerals Ltd &lt;br&gt; 10% ownership &lt;br&gt; Zambia Consolidated Copper Mines Investment Holdings</td>
<td>Switzerland, Canada, Zambia</td>
</tr>
</tbody>
</table>
Interstate Relations

The Philippines & Zambia

Source: Chinese Investment Tracker Dataset
Overseas Chinese Community
The Philippines

- Historical changes of population dynamic and ethnic relations
- Changing ethnic composition over time
Overseas Chinese Community

Zambia

- Waves of migration from China to Zambia

- Migration tied to state-centered projects
Overseas Chinese Community

The Philippines and Zambia

- Embedded-ness amongst elites

- Timing of outward FDI and migration
Materiality of Resources
Artisanal Small-scale Mining

- Non-hierarchical production avoiding state intervention at the national level or inter-state politics

- Strategy of accumulation and modes of production that are community and family based
Materiality of Resources

*Large-scale mining*

- Significant investment in technology, equipment, operations and labor

- Multinational corporations dominate copper mining and special economic zones facilitate the process
Materiality of Resources

*The Philippines and Zambia*

- The role of gold in the global economy
- The role of commodity minerals such as copper in Chinese economy and Zambia economy
Conclusion

Preliminary theory

- Modality of Chinese FDI depends on
  - interstate relations with the People’s Republic of China
  - the embedded-ness of the overseas Chinese community
  - the materiality of resources key to Chinese capital.

- If inter-state relations stay positive, the Chinese community remains embedded with the PRC, and the material interest can be best acquired through massive capital investments
  - then Chinese FDI becomes a major player in the economy

- If the inter-state relations stay negative, the Chinese community becomes embedded in the host state, and the material interest of Chinese can be acquired illicitly,
  - Chinese FDI takes a contentious route.