

Global Insider

A newsletter from POLITICO that unpacks essential global news, trends, and decisions.



By RYAN HEATH and SUZANNE LYNCH | 09/23/2022 08:40 AM EDT

Good morning from New York, where it's Day 5 of the U.N. General Assembly high-level week.

DIAMONDS ARE DEVELOPMENT'S BEST FRIEND?

For many organizations, UNGA means business. This week that included a campaign called Diamonds for Development led by the Botswana government, with support from Belgium, Microsoft and diamond producer HB Antwerp. Together the organizations say they're determined to help reset Europe-Africa relations, bring transparency to a notoriously opaque industry, and find ways to upskill and increase the incomes of African populations. Botswana President **Mokgweetsi Masisi** told POLITICO this work will represent nothing less than a "seismic shift" in the diamond industry.

Sounds too good to be true? It's also about hard cash: Americans buy half of Botswana's diamonds.

The diamond industry is the foundation of Botswana's wealth, but it's also been a source of exploitation, Masisi said: "When my country gained independence in 1966, we were a basket case, riddled with malnutrition. We couldn't sustain our budget. We had about three or four kilometers of tarred road [and] less than 10 people had been to university," he said.

The original generation of diamond miners in Botswana "had no intention of developing us as a people or a country beyond diggers," Masisi said.

Glow-up: Now Botswana is a model democracy — a high middle-income country, and one of only six to have left behind the official U.N. classification of Least Developed Country in the last 50 years. The country ranks higher in many democracy indexes than Belgium, said Vincent Van Quickenborne, a Belgian Deputy Prime Minister. Masisi proudly told an audience assembled for a "Diamond Gala" dinner at a Fifth Avenue mansion Thursday night that the center pipe of the Jwaneng mine was "the richest piece of real estate on the earth."

Teamwork: Jwaneng may be the world’s most valuable diamond mine, but it’s the revolutionary work from relatively small HB Antwerp that really animates Masisi. They’re beginning to use blockchain technology to transform diamond industry transparency: aiming to show exactly where a diamond come from, down the the square meter, with the intent of increasing its value and to prove to consumers that the diamond is, say, not a conflict-tainted Russian diamond. And unlike past generations of miners: most of the skills and value creation will remain on the ground in Botswana.

“I really applaud Belgium and Antwerp for accepting this new relationship,” Masisi told a New York audience. For its part, HB Antwerp co-founder **Rafael Papismedov** said the company chose Botswana because it has the best democratic governance in Africa.

“Botswana didn’t need us,” he said, but in a race to lift industry standards, HB needed Botswana.

“We are resolute. This is the relationship that we want. We want maximum value from what is ours, and I pray that my people will be involved in every step of the innovations,” Masisi said.

Sharing is caring: Masisi thinks HB’s model can be spread to other mining industries and other countries in Southern Africa in particular. “We want to go out and really market this model, because we want to see the relationship between the African governments and those who they partner with fundamentally change. There’s no reason to think we’re going to attain the SDGs without these models,” he said.

Botswana vs. China: Botswana (population 2.4 million), is “campaigning vigorously” to win the right to house the headquarters of the Kimberley Process, a center that prevents conflict diamond mining — facing off against China (population 1.4 billion), in a November vote.

It always comes back to Russia: Russian diamonds are now conflict diamonds: POLITICO’s **Ilya Gridneff** reports on how Russian diamonds have remained a shining absence from the European Union’s sanctions list, in part due to Belgium’s prominent role in the diamond industry.

Russia and Botswana are the two leading diamond producers globally.

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