

# Diamonds are forever in botswana essay

[Business](#), [Decision Making](#)



In “Diamonds are Forever in Botswana”, we are introduced to how the company, De Beers, made a profitable business in the country of Botswana, while contributing great benefits to the country through many aspects. The company’s business consists of overseeing the mining of diamonds and then selling them throughout the rest of the world.

Even though De Beers is the dominant force in Botswana, they approached their venture in the country by having an equal relationship with the government split down the middle 50-50. Approximately 10 years ago, they even sold the government a 15% stake in their successful company. From a socially responsible aspect, De Beers has made great contributions to the country with their involvement with AIDS, building beneficiary structures like roads, schools and hospitals for people to use in their daily lives.

While they definitely helped the citizens of Botswana socially, they also involved its people in their business by training their citizens to adopt executive positions in the government because of its partnership with the diamond company. In this specific case, both De Beers and the government rely on each other to maintain their own survival as well as the country and the people itself. While both play an equal role, De Beers is exemplified as a good citizen due to its involvement in providing the people of Botswana with great benefits. It also brings stability to Botswana by giving people basic and necessary social needs, jobs and a high revenue margin for the country. While De Beers is largely seen as a positive influence, it also had issues with their own practices.

For decades, De Beers exemplified monopolistic practices when it used its dominance to manipulate the international diamond market by convincing other producers to join their monopoly. Additionally, in order to control prices through supply, they stockpiled other manufacturer's diamonds to achieve that goal. When the controversial practice of blood diamonds came to the world stage, De Beers stopped buying diamonds from third party suppliers in order not to lose any profits and guarantee its buyers that their diamonds were not blood diamond. Blood diamonds are diamonds that are sold for profit, which then are used to finance rebel groups and weaponry, which the west certainly did not want to be a contributor in. When De Beers decided to focus on selling their own diamonds and focusing more on increasing their demand instead of controlling their excess supply, their sales increased even greater.

Also, their success is based on their marketing technique, which is why when diamonds had recaptured their old reputation, they sales increase was a direct effect of that. The government itself does not act as a regulator in any way over De Beers when it comes to decision making, but acts more as a beneficiary from De Beers business and it spreads the company's benefits to its people. While De Beers has made many great contributions to the country of Botswana and its people, truthfully, De Beers is still a business company where its primary objective is to make as big of a profit as possible.

The main reason their prizes, and for that matter profits remain very lucrative, is because they keep diamond prices stable by consciously matching its supply to world demand, which caused such an excess supply of

diamond before. Leaders in Botswana understood that economic growth is crucial for a society to prosper for its people and leaders, which is why De Beers compliments them perfectly. At the end, both the company, government, and society benefit from each other and all keep prospering in the future.