TO THE INCLUSIVE GOVERNMENT ON THE PENDING 2012 ANNUAL
BUDGET PRESENTATION BY THE MINISTRY OF FINANCE

THEME: A New Social Democratic and

Social Welfarist Deal for Zimbabwe.

SUBMITTED TO: The Ministry of Finance, Government of the Republic

of Zimbabwe

THURSDAY 13 OCTOBER 2011

Cc: The Prime Minister's Office, The Speaker of Parliament's Office, The Public Accounts Portfolio

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A. Introduction.

- (i) This is our considered input for consideration by the Ministry of Finance as it prepares the projected national budget for the year 2012. It is important at the onset to make it apparent that in presenting this alternative peoples budget framework it be made apparent that the Committee of the Peoples Charter (CPC) submissions are not made out of particular economic or financial expertise but commitment to our country and commitment to democratic people centered government. And in so doing, we wish to make it clearly understood that these submissions are premised on our intention to see the government prioritize the establishment of a **Social Democratic** ideological underpinning to the state, and a **Social Welfare** oriented national economy.
- (ii) We are also persuaded that any Zimbabwean annual national budget should fundamentally serve the citizens of this country. This makes such a policy document one that must have the approval of the people of Zimbabwe, must talk to their collective national and individual aspirations, address matters related to the livelihoods of contemporary and future generations of the country and above all, seek to promote democratic, people centered and accountable government within a *Social Democratic and Social Welfare framework*.

(iii) Furthermore, in the three years that have lapsed since the formation of the inclusive government, it is publicly acknowledged and recognized that the inclusive government, through the Ministry of Finance has, to its credit, sought to ensure that there is public consultation over and around the formulation of key performance priorities of the national budget. It is such an approach to the national budget that has prompted the Committee of the Peoples Charter (CPC) to make its input to the Ministry of Finance on this important national issue. The CPC, in the interest of public transparency has also copied these submissions to all the relevant portfolio committees of the Parliament of Zimbabwe and civil society organizations with the intention of appraising fellow Zimbabweans on our views on matters related to the 2012 national budget.

B. Founding Premise of our Submissions.

(i) The CPC is formed from the processes that led to the establishment of the Zimbabwe People's Charter that was penned by civil society organizations in February 2008 at the Peoples Convention held in Harare, Zimbabwe. Over 3500 representatives of civil society organizations attended this meeting with the express intention of bringing to the attention of national political leaders, in particular those that had been involved in the SADC mediated negotiations in the

run-up to the March 2008 elections, the priorities that any Zimbabwean government should consider henceforth. The character of the output of this convention was *Social Democratic* as well as keenly focused on the deliverance of a state that is a *Social Welfare state*. This is as outlined in the 7 key tenets of the Zimbabwe Peoples Charter which cover the political environment, the national economy and social welfare, the constitutional reform process, the youth, women and gender, elections and our national value system. ¹

- (ii) With the passage of three years since the formation of the inclusive government we are firmly aware that the ideals enunciated in the Zimbabwe Peoples Charter have not been met for reasons that include political contestations in the inclusive government; the overwhelming of the initial signatory civil society organizations by the politics of the inclusive government either by way of cooptation into government programmes or through the continued lack of enjoyment of their and fellow citizens fundamental human rights to assemble or express themselves.
- (iii) Regardless of these developments over the last three years, the CPC has remained committed to the Peoples Charter in so far as it provides a Zimbabwean **Social Democratic and Social Welfarist** standard of measurement of the

¹ Please see attached, the Zimbabwe Peoples Charter.

performance of the inclusive government or any other Zimbabwean government of the past or of the future.

(iv) This standard, as outlined in the Charter is premised on the history of our struggle for liberation and our post independence struggles for full democratization. Both eras of struggle hold and still hold it dear that all human beings are created equal, have the right to life and a life of dignity, must be accorded the full enjoyment of political and economic freedoms in any bill of rights as well as universal suffrage and social and economic justice.

C. The Attendant Principles and Ten National Guiding Points and Actions That Should Inform Our National Budget.

(i) We realize that the inclusive government is contested policy terrain given the different ideological backgrounds of the three political parties that comprise it. This has meant that the national budget has been characterized by politicized contestations as to how to reform and revitalize the national economy. These contestations have also been characterized by an unfortunate political party grandstanding at laying claim to the incremental improvements that have been evident in the supply of goods and services in the country.

(ii) In our view, it is therefore imperative that the inclusive government considers re-thinking the national budget in a different light. While it is accepted that the member parties of the inclusive government are strange bedfellows and the workings of government are generally informed by the politics of party positioning, the inclusive government is failing to demonstrate the requisite 'common ground' that led to its formation. And it is this 'common ground' with particular regards to the section of the preamble to the GPA that states, "committing ourselves to putting our people and our country first by arresting the fall in living standards and reversing the decline of our economy" ² that the CPC wishes to draw to the attention of the Ministry of Finance and the entirety of the inclusive government.

It is also in the following *Section D* of our submissions that we emphasize that the inclusive government must of historical necessity take into account the imperative that the national budget must be **Social Democratic** and **Social Welfarist** in intent, purpose and practice.

² Agreement on the Formation of An Inclusive Government, Preamble

D. Defining 'Common Ground' In The National Economy.

- (i) It is generally held as important that national budgets should seek to address in a holistic manner, the livelihoods and aspirations of all citizens in a given country. This includes the responsibility of the government to provide health, shelter, education, general welfare, employment, opportunity to be inventive and public transport for all, while at the same time providing for the necessary expansion of the national economy to not only meet these needs but also compete regionally and globally to be a developed and democratic people centered state.
- (ii) Because of our country's history of the liberation war and the continuing post independence struggle for full democratization, both in relation to the full realization of envisioned political freedoms and the realization of a peoplecentered national economy, we hold it imperative that the inclusive government actively seek national 'common ground' on the national economy. This is because where we have analysed the politics of the liberation struggle and those of the struggle for full democratization of the state as led by the labour unions in the 1990s, there are threads that are common to both struggle epochs. The values of the liberation war movements remain in tandem with those of the post independence struggles for full democratization with particular emphasis on all

players having initially sought differing versions of a social democratic ideological thrust to the state, upon independence or upon attainment of full democratization.

- (iii) Evidence to the latter point resides in the public knowledge that the main protagonists in the inclusive government have generally referred to important national matters such as land reform or indigenization as issues that they agree to in principle but differ in the area of the methodology of implementation. It is our considered view that the necessary compromise and in any event, the historically determined common ground is that of having a national budget presented within the context of social democratic ideals.
- (iv) This would preferably be termed and themed, A New Social Democratic and Social Welfare Deal for Zimbabwe and would be characterized by the following 10 (ten) national principles:
 - 1. A re-affirmation of the liberation struggle and post independence struggles for full democratization ideals based on the aspirations enunciated in these same struggles which were and are primarily aimed at achieving universal suffrage, democracy, political and economic freedoms, social welfare and gender equality for all Zimbabweans.

- 2. A commitment to upholding the democratic truth that in the formulation of a national budget, a sitting government of the day must ensure that there is full declaration of the country's assets, its actual revenue and its potential revenue together with the sources of the same.
- 3. A continued commitment to seeking Zimbabwean solutions to Zimbabwean problems within the context of a globalised World. This would take into account the fact that it remains Zimbabwe's national prerogative to negotiate with the World in what is democratically held to be in the country and citizen's best social democratic interests.
- 4. A commitment to the re-establishment and improvement of a social welfare state. That is, a state that understands and implements the provision of health; education for all; public transport; basic nutrition for children according to UNICEF standards; access to water; employment creation; social welfare grants for the unemployed; specific social welfare grants for women; and natural or human made disaster support for all its citizens.
- 5. A commitment to the full enjoyment of universally accepted and acknowledged human rights; the rule of law and the separation of powers that are expected in a democratic state.

- 6. An understanding that it is obligatory upon the state to ensure equitable just and accountable re-distribution of the land for the benefit of the majority rural and urban poor in order to guarantee their food security.
 This would entail that the state establish an independent Land
 Commission
- 7. A commitment to the democratic imperative that all national wealth acquired from our natural minerals must be harnessed primarily to provide resource support for the social welfare needs of the country's citizens i.e education, health, public transport, access to water and basic nutrition. In tandem with this commitment that the government must commit itself to public disclosure as to the amount of revenue it has acquired and will acquire from all of our national mineral wealth for the full knowledge of the public.
- 8. A re-commitment and pledge to gender equality in all spheres of

 Zimbabwean society and the active promotion of women's rights as well

 as the protection of the rights of young females. This includes giving

 preferential treatment to young females in the arenas of health,

 education (both basic and tertiary), and in employment. It also includes

- ensuring a special social welfare grant be given to all women headed households and disadvantaged women in general.
- 9. A re-commitment and pledge to ensure that all young people of Zimbabwe have access to free and quality education up to tertiary level, access to health, access to employment and access to social welfare grants where they are economically disadvantaged.
- 10.A re-commitment to solidarity with the peoples in the Zimbabwean

 Diaspora, the peoples of Southern Africa and the African continent

 premised on accepting the ideals and principles of democratic governance

 grounded in a firm understanding of our shared struggle histories and our

 continued struggles for the assertion of African identity, unity and

 solidarity with the rest of the world. This understanding will also reaffirm

 our commitment to the United Nations Charter as well as the United

 Nations Declaration of Human Rights with its attendant Conventions.
- E. The Pragmatic Urgency of the 2012 Budget Minus Political Expediency.
 - (i) We are aware of the urgency of the 2012 budget in relation to our ongoing national economic crises wherein our social service provision has remained

low, unemployment levels remain high and our industries are yet to regain the momentum that was lost in the last 15 years.

- (ii) We are also cognizant of the political decisions that will inform the allocation of resources for a national Constitutional Referendum and a General Election.
- (iii) It is however our considered view that the national budget should not be beholden to these two processes without addressing the nine principles enunciated above.
- (iv) To ensure that this does not happen we strongly recommend a clear demarcation in the national budget to matters related to the functional components of the national economy from the political ones that have been pre-determined by the GPA. This is to say, where the government has budgeted for the political processes of referendum and elections, the political implementation matrix unlike in the last two financial years, should not evidently cause unnecessary stagnation in the provision of the social welfare needs of the people of Zimbabwe.
- (v) It is therefore our considered proposal that the Ministry of Finance makes the following distinction in the national budget:

- 1. The 'Common Ground' Functional Economic Provisions: these budgetary provisions would take into account what we have highlighted as the 'common ground' that the budget must address. These provisions essentially point to matters that should not be directly beholden to any decision by the three principals in the inclusive government post their agreement to these same said 'common ground' principles. For emphasis, these provisions should also include budgetary allocations for the enjoyment of our human rights and political freedoms as well as the rule of law and be firmly grounded in *Social democratic and Social Welfarist ideals*.
- 2. The Contingent GPA Provisions: These provisions will be set aside to ensure that political contestations via democratic elections are provided for without undermining the national economic 'common ground'. This would mean where and when the three principals to the GPA decide to call for elections, these political processes should not stop the functioning of the state in relation to its ability to provide essential services as occurred in the contestations between 2000 and 2008.
- 3. **It's Our Country too.** Such provisions will make it clear to the people of Zimbabwe that whereas the politics of our national leaders remains

important in relation to who is in charge of our government, in the event that they disagree as they have done in the last two and a half years, our country should not be permitted to collapse on that basis alone. It is the prerogative and duty of all citizens to remain committed to the Zimbabwean state, hold it to account on broader and non partisan values that assert our collective humanity and where possible, avoid the proverbial circumstance of 'when elephants fight, it is the grass that suffers'.

F. The Proposed Priorities for the 2012 Budget.

(i) For emphasis and with due consideration of the economic circumstances that the country is facing we humbly propose that the inclusive government prioritizes the following in its 2012 Budget:

(ii) 'Common Ground Provisions'

Restoration of full functionality and professionalism at all major
referral government and local government hospitals in Zimbabwe
inclusive of free treatment and medication for the majority poor;
free and guaranteed access to electricity for all of these hospitals, fair

- remuneration for all medical personnel and the re-launch of a health for all nationwide awareness campaign.
- 2. Provision for free primary school education for all, subsidization of all government secondary school budgets, restoration of the student loan schemes for tertiary education in collaboration with university and college administrations and the establishment of a national education policy that is much more sensitive to the aspirations of Zimbabwe's Generation Next.
- 3. Provision for Parliament that relate more to its oversight role than it does to the remuneration of Members of Parliament without being over-reliant on donor funding. This will serve to guarantee its independence.
- 4. Provision for a fully functional Judiciary, with permission for greater decentralization of its functions for the full implementation of the rule of law and guarantees to its independence.
- 5. Provision for the land reform programmes hitherto, with access to agricultural inputs and infrastructural developments remaining a priority; the land audit becoming a reality; the establishment and full functioning of an independent land commission as well as

- compensation for those who unjustly lost their livelihoods during the various phases of the land reform programmes after independence.
- 6. Provision for the revival of a electricity, road/ rail and telecommunications systems in order to improve public transport and communications. This would entail an revised incorporation of the National Railways of Zimbabwe and its national rail network with particular emphasis on urban passenger services as well as urban-rural passenger services; a revitalization of our fixed telephone networks to intergrate them with our mobile telephony for greater communication between citizens and the urgent refurbishment of outstanding power stations.
- 7. Provisions for the utilization of revenue from the entirety of the mining industry into the national health system to purchase modern and up to date medical equipment, drugs as well as input directly into the revival of our national emergency response systems such as the Fire Brigade, Civil Protection Unit, and ambulance services.
- 8. Provision for the expansion of the ability of Zimbabweans to receive and impart information through the establishment of a separate Media Development and Diversity Fund to assist in the establishment

- of independent private and community radio stations, boost transmission capacities of the same and assist the print media in their viability challenges.
- 9. Provision for a holistic review of all state enterprises within the context of having their functions fulfill the New Social Democratic and Social Welfarist Deal for Zimbabwe.
- 10. Provisions for a 'Bridging the Gap' Re-intergration and Linkage Fund for the Diaspora with the express aim of ensuring that we communicate and integrate the Diaspora into our national debate and our national planning processes.
- 11. Provisions for the revival of our industrial sectors in relation to basic commodity production, mining, agriculture, tourism, industrial and mechanized heavy duty production, information communications technologies, all premised on the understanding that their operations are predicated on a *Social Democratic and Social***Welfarist* societal vision and reality.
- 12. Provisions for the on-going global efforts to tackle the global problem of Climate Change which will include a much more comprehensive funding programme for the Metrological Department, the re-

invigoration of our public awareness campaigns on clean and ecofriendly environmental usage, that also is cognizant of the dangers of seeking Foreign Direct investment in bio-fuels that damage the environment.

(iii) 'GPA Provisions'

- 1. Provisions for the finalization of the constitutional reform process with acknowledgement that it remains the right of Zimbabweans to reject or accept the draft constitution being written by COPAC.
 Further still, to provide necessary resources for knowledge dissemination on the end result of the COPAC constitution as well as potential re-engagement with the Zimbabwean public on the aftermath of the COPAC process regardless of its outcome.
- Provision for the continued reform and full functioning of the Zimbabwe Electoral Commission and the attendant enabling legislation with the express aim of fully democratizing electoral processes in Zimbabwe.

- Provision for a national elections referendum, i.e to hold a national referendum on whether or not the country is ready for elections given the pace and progress of reform.
- 4. Provision for national elections in the aftermath of a national referendum to determine the nation's satisfaction with the relevant electoral reforms.
- 5. Provisions for transitional justice processes in the aftermath of a national election.

G. Conclusion

The significance of the national budget cannot be more apparent in our country, wherein, it represents a binding statement of intent by the inclusive government to continue to seek solutions to our national political, economic and social crises. Our submissions may, in some instances be deemed idealistic or lacking in pragmatism. Where we are accused of being idealistic we humbly submit that it is from our ideas that we become pragmatic just as it is from believing in God, that we learn to bend on our knees in prayer. Our submissions do not cover all aspects of the national budget, neither do they undertake technical analyses of the National Fiscus. They do however take into account, the realities that are faced by

millions of Zimbabweans (at home and abroad) and by so doing, offer a perspective that is intended to inform the policy intentions of the inclusive government for the year 2012. As explained in the first sections of this document, the basis of our submission is the Zimbabwe Peoples Charter. This is not to say that the latter is a perfect document, but it demonstrates a necessary understanding of the importance of accountable and democratic government particularly so, in the context of our country's historical, contemporary and future challenges.

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