Moving forward in Zimbabwe
Reducing poverty and promoting growth
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This report was written by Admos Chimhowu, based on background papers written by a group of Zimbabwean academics and development practitioners that came together with the intention of contributing in their own small way to the discussions and debates on the best way forward for our country. Thirteen people contributed background papers (a list of titles is available at the back of this report). Contributors included: Tendai Bare – Civil Service; Admos Chimhowu – Land and Rural Development; Blessing Chiripanhura – Employment and Labour Markets; Beth Chitekwe-Biti – Urban Development in Post-Crisis Recovery; Fay Chung – Education; Tapiwa Magure – Health; Lance Mambondiyani – Financial Markets; Jeannette Manjengwa – Environment and Natural Resources; Innocent Matshe – Agriculture; Ngoni Munemo – Social Protection; Sobona Mtisi – Water Resources; Mike Nxele – ICTs and Poverty-focused Reconstruction; and Desire Sibanda – Public Finances, Recovery and Reconstruction.

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About the Brooks World Poverty Institute

The Brooks World Poverty Institute is a multidisciplinary centre of global excellence researching poverty, poverty reduction, inequality and growth in both the developed and developing worlds. At a time of heightened public, media and political interest in poverty issues, it is imperative that the most serious minds, drawing on long-standing experience of the complex issues involved in a variety of world settings, come together to work towards sustainable long-term solutions. Manchester has the potential to make a substantial, distinctive and durable contribution.

We live in a world that is affluent in terms of resources, knowledge and technology but well over one billion people, around a fifth of the world’s population, live in absolute poverty. They cannot obtain even their minimum needs – access to food and clean water, basic health services, primary education, shelter. These people struggle every day to meet these needs and to improve the prospects of their children. However, economic, social and political processes often make their efforts ineffective and block off pathways out of poverty. To eliminate global poverty we need a better understanding of how and why people are poor and the conversion of that knowledge into policies and actions that achieve the goal of poverty reduction. This is the mission of the Brooks World Poverty Institute.
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<td>AFC</td>
<td>Agricultural Finance Corporation</td>
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<tr>
<td>Agritex</td>
<td>Agricultural Technical and Extension Services</td>
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<td>AMA</td>
<td>Agricultural Marketing Authority</td>
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<td>AREX</td>
<td>Agriculture Research and Extension Services</td>
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<td>ART</td>
<td>Anti-retroviral Treatment</td>
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<td>BIG</td>
<td>Basic Income Grant</td>
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<td>C&amp;AG</td>
<td>Comptroller and Auditor General</td>
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<td>CA</td>
<td>Communal Area</td>
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<td>CAMPFIRE</td>
<td>Communal Areas Management Programme For Indigenous Resources</td>
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<td>CCs</td>
<td>Catchment Councils</td>
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<td>CMB</td>
<td>Cotton Marketing Board</td>
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<td>CSC</td>
<td>Cold Storage Commission</td>
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<td>CSFP</td>
<td>Child Supplementary Feeding Programme</td>
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<td>CSO</td>
<td>Central Statistical Office</td>
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<td>DDCP</td>
<td>Diarrhoeal Disease Control Programme</td>
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<td>DfID</td>
<td>Department for International Development (UK)</td>
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<td>DMB</td>
<td>Dairy Marketing Board</td>
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<td>EEC</td>
<td>European Economic Commission</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>ESAP</td>
<td>Economic Structural Adjustment Programme</td>
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<td>FAO</td>
<td>Food and Agricultural Organisation</td>
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<td>FFD</td>
<td>Free Food Distribution</td>
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<td>FFW</td>
<td>Food for Work</td>
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<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GMB</td>
<td>Grain Marketing Board</td>
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<td>GoZ</td>
<td>Government of Zimbabwe</td>
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<td>HPI</td>
<td>Human Poverty Index</td>
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<td>IG</td>
<td>Inclusive Government</td>
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<tr>
<td>ILO</td>
<td>International Labour Organisation</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IOM</td>
<td>International Organisation for Migration</td>
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<td>IUCN</td>
<td>International Union for Conservation of Nature</td>
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<tr>
<td>IWRM</td>
<td>Integrated Water Resources Management</td>
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<td>LSC</td>
<td>Large scale commercial</td>
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<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MOE</td>
<td>Ministry of Education</td>
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<td>MOH</td>
<td>Ministry of Health</td>
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<tr>
<td>NECF</td>
<td>National Economic Consultative Forum</td>
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<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<tr>
<td>ODA</td>
<td>Overseas Development Association</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<tr>
<td>PRSP</td>
<td>Public Service Reform Programme</td>
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<tr>
<td>QFAs</td>
<td>Quasi Fiscal Activities</td>
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<tr>
<td>RBZ</td>
<td>Reserve Bank of Zimbabwe</td>
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<tr>
<td>SACMEQ</td>
<td>Southern and Eastern Africa Consortium for Monitoring Educational Quality</td>
</tr>
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<td>SADC</td>
<td>Southern African Development Community</td>
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<tr>
<td>SDCs</td>
<td>School Development Committees</td>
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<td>SSA</td>
<td>Sub-Saharan Africa</td>
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<td>SSC</td>
<td>Small-scale commercial</td>
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<td>TMP</td>
<td>Traditional Midwives Programme</td>
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<tr>
<td>UNCED</td>
<td>United Nations Conference on Environment and Development</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNECA</td>
<td>United Nations Economic Commission for Africa</td>
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<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
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<tr>
<td>VHW</td>
<td>Village Health Worker</td>
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<tr>
<td>WFP</td>
<td>World Food Programme</td>
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<tr>
<td>WHO</td>
<td>World Health Organisation</td>
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<tr>
<td>WSSD</td>
<td>World Summit on Sustainable Development</td>
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<tr>
<td>ZIMACE</td>
<td>Zimbabwe Agricultural Commodity Exchange</td>
</tr>
<tr>
<td>ZIMDEV</td>
<td>Zimbabwe Development</td>
</tr>
<tr>
<td>ZIMFEP</td>
<td>Zimbabwe Foundation for Education with Production</td>
</tr>
<tr>
<td>ZIMRA</td>
<td>Zimbabwe Revenue Authority</td>
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<tr>
<td>ZINWA</td>
<td>Zimbabwe National Water Authority</td>
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Moving forward in Zimbabwe
Reducing poverty and promoting growth

Executive Summary

1 Introduction
This report outlines the key elements of a strategy to hasten the recovery process in Zimbabwe. While it recognises the centrality of economic recovery, it links this to a people-centred approach: recovery must generate rapid improvements in the economic and social conditions of the people of Zimbabwe and especially for its poor majority. Improved access to food and employment is central to this strategy and as a result it must be led by agriculture.

This is an independent report produced by a team of Zimbabwean academics and researchers, who seek to stimulate focused debates about the policies that are most likely to help Zimbabwe move forward. Most of these efforts to move forward are being made, and will be made, by Zimbabwe's long suffering and impressively resilient farmers and labourers (women and men). They need the support of the country's elite and middle class – professionals, politicians, public servants and academics – in identifying policies and programmes that deliver rapid gains and lay the foundation for a sustainable future. Development partners, in Africa and beyond, will need to provide technical assistance and finance to assist these efforts.

Following the formation of an inclusive government in March 2009, Zimbabwe is emerging from a decade of socio-economic decline. The gains the country saw after independence in 1980, and particularly the impressive progress in reducing poverty and inequality, have been reversed. Although triggered by a multiplicity of causes, the programme to redistribute land from mainly white commercial farmers to the majority black Zimbabweans in February 2000 is often cited as the catalyst that precipitated an economic crisis, which subsequently became a social crisis. By 2003, some 72 per cent of the population lived below the national poverty line and the living conditions were some of the worst in Africa.

The economy had been in decline since 1996 and has registered negative economic growth at a time when the rest of the world was booming. Disruptions in agriculture due to land reforms explain the decline in agricultural production, while manufacturing went into decline mainly due to a shortage of foreign currency to import raw materials and machinery. Hyperinflation, which peaked at 500 billion per cent in December 2008, totally undermined the investment climate. Alongside this decline in productivity came a catastrophic decline in disposable incomes and employment. By March 2009 unemployment was estimated at a staggering 80 per cent. The decline of employment in low skill sectors like agriculture and construction caused unemployment to rise, especially among low income households. This created a vicious circle of poverty creation. Declining urban earnings undermined smallholder agricultural productivity, as smallholders relied on manufactured inputs from urban centres. This, combined with unfavourable agricultural policies, in turn undermined earnings from smallholder agriculture and rendered many small farmers too poor even to use their land to produce their own food crops.

Data from the three major poverty surveys (the Income, Consumption and Expenditure Survey of 1991, and the Poverty Assessment Study Surveys of 1995 and 2003) are not directly comparable because of methodological issues, but they do suggest that by the time the crisis erupted in 2000, poverty in Zimbabwe was already on the rise. From a low of about 26 per cent in 1991 the proportion of households living below the food poverty (extreme poverty) line rose to 35 per cent by 1995, before a dramatic rise to 63 per cent by 2003. There was a similar dramatic rise in the number of people living below the total consumption poverty line. This increased from 55 per cent in 1995 to 72 per cent in 2003. Since the Poverty Assessment Study Survey of 2003 there has not been any official survey on poverty in Zimbabwe, but some estimates suggest that, by the time the socio-economic crisis reached its high point in November 2008, up to 80 per cent of the population survived on less than US$2 a day. The country had become a world leader in creating poverty.

Provision of key public services also suffered as the government failed to keep education, health services and infrastructure running. By 2006 less than 70 per cent of the pupils made it through to the last year of primary school, compared to 75 per cent at the turn of the millennium. Staff attrition affected the quality of learning. In secondary education the numbers taking ‘O’ levels declined and only about 14 per cent of students passed five or more subjects (i.e. attained a satisfactory education). Health services and infrastructure were also affected severely. The crude death rate almost doubled from 9.49 in 1992 to 17.2 per 1000 in 2007. Similarly infant mortality, which had declined to 53 per 1000 live births in the mid 1990s, rose to 68 per 1000 by 2008. The only exception was HIV/AIDS prevalence rates, which declined from a peak of 24 per cent in 1998 to about 11 per cent today.

The composite indicators reflect this decline in human welfare. The UNDP’s Human Poverty Index was at 17 per cent in 1990, an impressively low figure by African standards. By 2006 it was estimated to have more than doubled to 40.9 per cent. Similarly the country has been sliding down the UN’s Human Development Index ranking – from a respectable 52 in 1990, the country was
ranked 108 in 1992, 129 in 1997 and by 2005 it was ranked at 155 of the 177 countries. On current evidence it is clear that a majority of Zimbabweans are emerging from this crisis poorer and with fewer assets and capabilities than they have endured at any time since independence.

The formation of the transitional inclusive government has created prospects for stabilisation and can lay the foundation for reconstruction and long-term socio-economic development. One of the key issues the inclusive government needs to be dealing with is the general welfare of an impoverished nation. Experience in post-crisis situations elsewhere in Africa shows that if care is not taken to deliberately formulate welfare policies that directly address poverty, such concerns are soon subsumed under a myriad of problems that the state has to deal with. The inclusive government must prioritise identifying the areas of policy that can quickly stabilise incomes and reduce the number of people living in poverty.

In this report we look at the collapse of welfare in Zimbabwe and suggest ways for rapidly improving the lives of the country’s poor people in rural and urban areas, so that they can fully engage with the reconstruction process. The main assumption here is that the global political agreement will create the political and economic conditions that will allow the country to move forward.

### Table 1: Key statistics, 2009.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Statistics</th>
<th>Year</th>
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<tbody>
<tr>
<td>Population</td>
<td>12.46 million</td>
<td>2008</td>
</tr>
<tr>
<td>Area</td>
<td>390.8 thousand sq. km</td>
<td>2008</td>
</tr>
<tr>
<td>GNI per capita</td>
<td>US$360</td>
<td>2005</td>
</tr>
<tr>
<td>GDP per capita (PPP)</td>
<td>US$200</td>
<td>2008</td>
</tr>
<tr>
<td>Population growth rate</td>
<td>1.53%</td>
<td>2009</td>
</tr>
<tr>
<td>Poverty headcount</td>
<td>72%</td>
<td>2003</td>
</tr>
<tr>
<td>Life expectancy</td>
<td>45 years</td>
<td>2008</td>
</tr>
<tr>
<td>Total fertility rate</td>
<td>3.8</td>
<td>2007</td>
</tr>
<tr>
<td>HIV prevalence</td>
<td>13.7% of ages 15-49</td>
<td>2009</td>
</tr>
<tr>
<td>Crude birth rate</td>
<td>32 per 1000</td>
<td>2007</td>
</tr>
<tr>
<td>Crude death rate</td>
<td>18 per 1000</td>
<td>2007</td>
</tr>
<tr>
<td>Under 5 mortality rate</td>
<td>90 per thousand</td>
<td>2007</td>
</tr>
<tr>
<td>Inflation (year on year)</td>
<td>9%</td>
<td>2009</td>
</tr>
<tr>
<td>Unemployment</td>
<td>80%</td>
<td>2008</td>
</tr>
<tr>
<td>Urbanisation level</td>
<td>30%</td>
<td>2007</td>
</tr>
</tbody>
</table>

Sources: These are collected from a variety of sources, most are estimates and there is an urgent need for more accurate data to aid planning and reconstruction.

### 2 Opportunities for stabilisation, reconstruction and development

Zimbabwe’s recent economic and social collapse is unusual – although there was periodic violence linked to elections and evidence of systematic insecurity, it was not the product of a civil war. As a result, the decay in services and infrastructure has not been total. This means that models of post-war reconstruction do not apply directly and need to be adapted and used carefully. We say this for four reasons:

i. There remains a semblance of structure and some institutional memory in Zimbabwe which can be built upon. Any reconstruction efforts should therefore develop or revive existing institutions rather than starting largely from scratch as has been the case in many post-war situations in Africa.

ii. The existence of a national civil service (even if severely degraded and in some cases compromised) gives the inclusive government scope for some quick wins and greater capacity to utilise external resources effectively than in most post-war situations in Africa, where capacity to absorb aid has been very low.

iii. The inclusive government by its very nature was born out of political compromise. There is therefore no clean slate to work from, and no single power to shape things. The post-crisis development agenda will therefore be subject to negotiation, and often only pathways of least resistance will be adopted, even if these are sub-optimal.

iv. Donors will initially be hesitant to engage with the state as they wait to see if the political compromise will work. Consequently, expectations of a rush of long-term, sympathy-borne, non-food donor aid (characteristic of most post war situations) may not materialise as donors opt for more tentative engagement, often termed ‘humanitarian plus’. Implicitly, this means resources for stabilisation, reconstruction and development will have to come from domestic and other regional sources, at least in the interim.

What is clear is that the two-year governance by the inclusive government will be formative, establishing the basis for future reconstruction and development. The agenda will necessarily have to be stabilisation and short to medium term reconstruction. What should never be forgotten, however, is the need to focus on the majority of Zimbabweans living in poverty.

### 3 Moving forward with poverty reduction and productivity enhancement: prioritising agriculture with a small farmer focus

Historically, in Zimbabwe there has always been a link between productivity growth in agriculture, aggregate GDP growth and welfare (Figure 1.4). What happens to agriculture has influenced manufacturing and has impacted directly and indirectly on welfare. A key outcome of the crisis, however, is a changed agrarian structure with many more units of production. The number of commercial farm units has more than doubled, while the number of smallholder farms has also nearly doubled. The implication is that there are opportunities for agriculture to play a leading role in recovery if the right productive environment is created.

The changed structure of agriculture means that the focus will have to be on smallholder farmers rather than large-scale commercial agriculture. About 70 per cent of Zimbabweans still derive a living from the land, either directly as smallholder farmers or indirectly as employees on farms. We also know that about 77 per cent of Zimbabwe’s poor and almost 90 per cent of its extremely poor reside in rural areas. In fact, some 2 million of the more than 2.1 million people in need of food aid are based in rural areas. A majority of these derive their livelihood from smallholder farms in communal lands, while a good number, consisting mostly of displaced former commercial farm workers, are in limbo.
Without jobs and without land. Any post-crisis recovery strategy will need to have this core constituency as its main policy focus. Although historically large-scale commercial agriculture has been the mainstay of the agricultural economy, and once recovered will have the ability to make significant contributions, we also know that, smallholder agriculture exhibits production efficiencies within a supportive policy environment that can make it the main driver in post-crisis reconstruction.

While the needs of the impoverished urban population must be met, the main focus must be a growth strategy that can transform the welfare of the rural poor. Income growth is at the core of any future strategy targeting poverty reduction. For the nearly 1.4 million rural smallholder households, income growth will have to come from resuming farm operations and a revitalisation of commercial agriculture. For urban residents improved income will have to come from employment growth. We know that when rural incomes rise, effective demand for manufactured goods and services also rises, providing a ready market for the increased output of manufactured goods and other services. An agriculturer-led strategy would raise rural incomes and provide the most direct way to address poverty, enhance employment and kick-start growth. Focusing on agriculture, and consequently rural areas, implies that the majority of the population need not wait for the benefits of growth to trickle down to them from urban activity. The view here is that manufacturing recovery and, ultimately, growth of the urban economy will also depend on agricultural sector growth. Other productive sectors like mining and tourism can make a contribution, but the benefits only indirectly influence the welfare of a majority of the rural population living in poverty. The inclusive government therefore needs to prioritise agricultural recovery as a major part of overall poverty reduction efforts. Below, we suggest some key components of this strategy and what we think the entry points should be.

The main priority for post-crisis agriculture in Zimbabwe will have to be smallholder farmers in communal and ‘original’ resettlement areas. They are the most important agricultural group, both in terms of numbers and also in terms of the amount of land they hold. There are three main reasons for this prioritisation:

i. The majority of Zimbabweans still reside in communal and original resettlement areas and this is where most of the poor are to be found. There are over 900,000 families in these areas and nearly half of them reside in regions 1-3 (Figure 1.1) where agro-ecological potential is high enough to engage in arable agriculture. They have proved in the past that they can produce, and must be helped to produce more now.

ii. Although much of the rural infrastructure has not been maintained, the communal and some of the old resettlement areas still have basic agricultural infrastructure and services that can be rapidly revived at a reasonable cost. This means that there are some quick gains to be had from restoring agricultural production.

iii. These lands are not contested. By contrast, some of the land acquired under the fast track land reform programme is contested, with donors consequently unwilling to provide production support until the land issues are settled. Therefore, the communal and ‘old’ resettlement smallholder farmers can attract the substantial resources needed for rebuilding without getting embroiled in legal and political wrangles.

We are not suggesting a zero sum game here between smallholders and large-scale commercial farming, but we recognise that it is the smallholder sector which has to be working efficiently if the economy is to recover and welfare levels to rise. Agricultural policy will need to be reoriented toward the smallholder producer.

Some quick wins: focus on smallholder farmers in communal areas and ‘original’ resettlement areas/irrigation settlements

A significant part of the decline in recent agricultural production was due to smallholders simply being ‘too poor to farm’. There are opportunities to achieve some quick wins in restoring their agricultural production (in communal lands, the old resettlement areas and A1 resettlement schemes contiguous to communal lands, especially in the better rainfall areas). There is abundant evidence that smallholder agriculture can rebound quickly from adverse political and climatic events if appropriately supported. Taking a cue from Malawi and from past experiences in Zimbabwe, we know that providing a package of key inputs – draft power, seed, fertiliser and a grant for local labour hire – would kick-start agriculture on communal land dramatically, if the weather holds. Smallholders in communal areas will need to be supported over at least three seasons on ‘full packages’, followed by a managed reduction of support over a further two years. We propose that the focus be on the smallholder farmers in regions 1 to 4. This would reach close to 71 per cent of the target group. Agricultural support will not be all that is required – for many households a social protection scheme will need to be set-up to restart production. We do not think the assistance package should be means tested, as the mechanisms for doing so may lack credibility and can potentially be abused in the current political climate. Available evidence also suggests that public works or cash for work would not function well in the current context. Apart from the fact that there is limited state capacity to monitor extensive workfare relief programmes, we also know that up to 60 per cent of the expenditure of such schemes may be consumed by overhead costs. Perhaps, after a few years of free agricultural inputs, workfare relief programmes may be more feasible.

Enhancing agricultural incomes through high-value crops and links to markets

After the initial gains from a basic agricultural package have been achieved, smallholders need to improve their earnings through innovation. This can be done not only through productivity growth but also by ensuring that some of the lucrative markets that have only been accessible to large-scale farmers in the past are made available to smallholder farmers. We are thinking here about links to some of the global supermarket chains, either directly or through out-grower schemes. Smallholders need support to begin to diversify into high-value crops linked to these global production chains. Both state and non-state sectors (especially private companies with corporate social responsibility programmes) will need to be involved in identifying these markets and linking the smallholders with them. By the time of the land invasions in 2000, some of the large-scale farms had already started some successful out-grower schemes that were working quite well. Re-activating such initiatives will create the income growth necessary for the economy to move beyond recovery.
Reducing poverty and promoting growth

Reviving large-scale commercial agriculture

While small farmers must be the priority, large-scale commercial agriculture will also need to be revived. This sector occupies about a third of all agricultural land, primarily in the better rainfall area, so productivity levels must be restored. Apart from the demonstration effect this has on smallholder agriculture, the scale factor implies that commercial farmers can enhance agricultural productivity growth. A key constraint is that reviving large-scale commercial agriculture will need the private financial markets to begin lending again. For this to happen, the uncertainties surrounding ownership and tenure need to be resolved. As long as these issues remain unresolved, agricultural financing will continue to be difficult and farmers must rely on the cash constrained state for support. The commercial farm sector only impacts indirectly on poverty, via employment and other upstream and downstream effects. The implication, therefore, is that as much as possible this sector should rely on state-assisted financial markets to enhance its productivity. The inclusive government therefore needs to find ways of recapitalising the major agricultural lending institutions so that they can begin to support the commercial farmers.

4 Land reform: moving forward

Land reform was at the heart of the crisis, and the expectation is that the transition process will iron out some of the problems that have prevented the beneficiaries of land redistribution from growing their way out of poverty. As noted previously, the country now has an agricultural system comprising a large smallholder farming sector occupying about two-thirds of all agricultural land. We see the main priorities following land redistribution as follows.

The unfinished business: tenure reform

There does not seem to be any logical justification for a continued dual tenure regime in Zimbabwe. This creates two classes of citizens. On the one hand are over 800,000 smallholders occupying some 14 million hectares of land under communal tenure, while on the other are nearly 320,000 resettled households occupying land on conditions that are much more favourable than their communal land peers. The inclusive government should revisit this and consider how other countries in the region, especially Mozambique and South Africa, have dealt innovatively with similar problems.

Re-planning A1 units

Most of the nearly 141,000 beneficiaries resettled on A1 units lack basic social services and infrastructure, since most of the large-scale commercial farming areas did not have social infrastructure, on the grounds that they were privately owned. This affects the ability of A1 unit households to utilise the land they have received through the programme. It is important that these are re-planned along the lines of the old ‘accelerated’ resettlement programme of the 1980s. This means planning them as new settlement projects, on conditions that are much more favourable than their communal land peers. The inclusive government should revisit this and consider how other countries in the region, especially Mozambique and South Africa, have dealt innovatively with similar problems.

A2 land audit

The crisis took a heavy toll on agricultural institutions. Most of the extension and research activity has collapsed. Consequently, there is a need for an institutional audit to reconsider the roles of existing institutions and suggest new arrangements to support the new structure of agriculture in the country. This is particularly true if the newly settled A1 smallholders are to get the support they need. Since the country now has many more small, medium and large-scale commercial farmers than before, there is a need to identify the exact training and other support they require in order to establish how these can be provided.

Revitalising agricultural institutions

The international political agreement that formed the basis for the inclusive government foreclosed any discussions about reversing the land redistribution exercise. This means that the inclusive government can only refine and iron out emerging problems from the exercise. We know from the Utete and Buka Reports that there are still major issues related to farm ownership under A2 schemes. In addition, the actual uptake of A2 farms needs to be established. It is imperative that an independent audit of what is happening on these farms be undertaken with a view to reallocating underutilised land, perhaps to those with farming expertise who wish to return to farming, and are looking for land under the new terms and conditions. This needs to be seen as a technical exercise and should be led by a credible state agency.

Land registry

The resettlement process created new farm units that need to be mapped and registered. It is therefore crucial that the land information management system be revamped so that it can cope with the increased land units that will need to be registered. Given the number of farm units that will need to be registered, it may be necessary to decentralise this function to districts. Since district land committees hold the most accurate information, a Land Information Management Unit could be set up to run from these institutions and possibly even at ward level. To improve the user interface, the registration process will need to be as accessible, cheap and simple as possible. This might mean creating and training a new cadre of paralegals operating at district or ward levels, as a full legal approach to this problem will be financially infeasible. If donor agencies are interested in supporting the reform and strengthening of the land registry they should ensure that there is a lead donor. A series of different donor support packages could create problems.
6 Moving forward on the environment: an environmental audit

The collapse of the economy drove most Zimbabweans to rely more on nature and natural goods than ever before – timber, firewood, bush meat, wild vegetables, traditional medicines etc. We know globally that poverty can drive people to “mine” natural resources. The decline in the functioning of state institutions has permitted this, but even more it has allowed elites and other private interests to take advantage of lax enforcement and over-exploit natural products for individual gain. Environmental management efforts have weakened in several ways.

First, we know that staff attrition made environmental regulation ineffective, due to a collapse in enforcement capacity (forest encroachment and gold panning are two clear examples). At present, central government policy on the environment has little meaning and in some areas over-exploitation is rife – whether out of desperation or greed. In the post-crisis period there must be an emphasis on ensuring that state institutions are revitalised and begin to work again. A particular focus should be on strengthening the capacity of the Environmental Management Authority’s capacity to function at sub-national level, as it is in these areas that most of the work needs to be done.

Second, the rural restructuring that occurred as a result of fast track land reform has changed the dynamics of environmental stewardship, and attitudes and patterns of resource use. This change has affected both wildlife and forestry products directly. Deforestation has risen significantly due to reduced protection and increased demand for fuel wood as paraffin and electricity became less available. While the exact rate of deforestation in Zimbabwe is unknown, estimates suggest ranges between 100,000 and 320,000 hectares per year. An audit of the state of the environment in Zimbabwe is now needed. This could be one of the first confidence building measures the Ministry could undertake to re-assert its control over the environment agenda. The audit could form the basis for a new vision on the environment and provide entry points for other actors to promote sustainability.

Third, despite the nominal involvement of the government in global environmental debates, serious work on global environmental change in Zimbabwe – and especially about the ways in which climate change will affect the country and strategies for adaptation – is desperately needed. If rainfall patterns in Southern Africa are changing, research is urgently needed on such issues as drought resistant crop varieties and alternative land uses.

7 Restoring Zimbabwe’s education sector

The crisis had a major negative impact on the education sector. By the time the inclusive government took over, about one quarter of primary school children (100,000 children out of about 400,000) were not completing Grade 7, and a further 70,000 did not enter secondary school. Therefore, around 170,000 children each year do not gain the nine years of education that is essential to fully participate in social, political and economic development. Most of these children not in education, employment or training (NEETs) will find it difficult to make a living and, even when conditions improve, they will have few opportunities to increase their productivity or obtain better jobs. Unless Zimbabwe returns to its
original policy of free primary education, and extends it to cover two years of junior secondary education, it is likely to continue to have a substantial percentage of its population with a sub-standard level of basic education and limited employment prospects.

**Linking education and training more closely to economic development**

Investment in education is one of the key ways of moving and staying out of poverty. Clearly there will be issues of affordability. Given a state that lacks resources and an education system that has not seen substantial investment in nearly a decade, a compromise will have to be struck between offering free universal education and recovering some costs. In addition to improving access to basic education, Zimbabwe must improve the quality of education. The need for economic development requires a serious adjustment of the education system at all levels, but particularly at secondary, technical/vocational and tertiary education. The post-independence focus on preparing people for the public sector needs to shift to providing people with the technical skills and entrepreneurial approaches demanded in the 21st century. These include:

i. More science and technical/vocational content into primary education and ‘education for real life challenges’.

ii. Providing more technical and vocational training at secondary school level – the present output of 20,000 graduates each year is insufficient.

iii. The development of values, principles and moral education. Careful thought needs to be given to ways in which the formal education system might promote values and behaviour to reunite the country.

iv. Community involvement and decentralisation, which kept the education system running during the crisis and is essential for accountability and sustainability in the future.

v. Supporting young people not in education, employment or training (NEETs). A large number of young people who lost out on education and are probably too old to be re-integrated into the formal education system will need to be provided for. Left unattended, evidence from elsewhere in Africa suggests that they can easily become a potent reserve for militisation and agents of violence when political fault lines emerge.

**8 The health sector and post-crisis stabilisation**

The inclusive government needs to stabilise and restore the finances, staffing, systems and structure of the health service before any long-term programming can occur. The high level of staff attrition is a priority organisational challenge afflicting the health delivery system in Zimbabwe. This has dramatically affected the Ministry’s capacity to deliver health services. Health budgets need to be restored – US$0.19 per capita per annum does not buy much care. Most post-conflict countries use a standard three-stage model for reconstructing health systems after conflict: first, prioritising basic emergency and curative services; second, restoring essential services; and third, rehabilitating health systems. Elements of this model, when suitably adapted, can guide post-crisis stabilisation in Zimbabwe.

**Basic emergency and curative health services**

The priorities are dealing with pressing health needs, (especially the basic emergency and curative services to save lives) and providing low-cost preventative services (particularly immunisation). For Zimbabwe this was set in motion through the cholera epidemic inherited from the crisis. Although this is now under control, a recurrence is possible if the inclusive government fails to restore basic water supply and sanitation services. Basic health services, such as obstetrics, immunisations, and dealing with seasonal and communicable illnesses, must be restarted.

The most vulnerable are the under-fives, pregnant women and those with underlying health conditions. These must be prioritised. While specific needs must be clinically determined, we know that in post-crisis Mozambique and Sierra Leone the basic emergency service included immunisation for under-fives, tetanus jabs for expectant mothers, vitamin A for high risk groups and a systematic de-worming of children. This phase is usually resource-intensive, with the costs of similar programmes ranging from US$3.70 per capita in Mozambique to US$21 per capita in Sierra Leone. For Zimbabwe this clearly implies a substantial rise in health expenditure.

Other actions demand immediate attention:

i. Arresting the brain drain through introducing retention schemes. Remuneration packages based on regional rates will be needed to retain and attract back skilled health workers.

ii. Revitalisation of training facilities, especially the reopening and capitalisation of the College of Health Sciences. This is an absolute priority, as this is the only way to fill the skills gap. Although mechanisms may be needed to utilise the diaspora to restore health services (through short-term voluntary work or consultancies for instance), there is no substitute for restarting training of health professionals.

iii. Focusing resources on child health, maternal health, nutrition and communicable diseases, including HIV, malaria and tuberculosis.

iv. Rebuilding management capacity in strategic planning, expenditure management and budgeting.

v. Re-establishing the medical and surgical supplies chain.

vi. Measures to re-establish the health information system.

vii. Auditing the status of physical infrastructure. While in the short term, any capital injection for infrastructural development is unlikely, there is a need to invest in collecting information for longer-term planning.

**Medium-term restoration of essential services**

Once immediate health risks have been addressed, systematic delivery of essential health services can be contemplated. While in phase one (above) there is significant involvement of outside agencies helping to deal with life-threatening situations, phase two is about returning authority for public health to the state and making sure that there is an accountable set of institutions around the essential health service delivery system. For Zimbabwe this will mean restoration of health programming and a return to the strategies – primary and curative health care strategies, with a focus on quick win areas or quick impact programmes. Crucially, it is about mobilising the funding to deliver the service.
Rehabilitation of the health system

As Zimbabwe moves to the rehabilitation phase, long-term planning can begin, along with a detailed programme of infrastructural investment. During this phase, effective health information systems are essential. While ideas on what needs to be done are easy to outline, the ability to pay for restoring the health system is more problematic. On the one hand, the user-pays principle can generate resources, but makes health inaccessible to a majority of impoverished Zimbabweans. On the other, free universal health will not be possible for the cash-strapped inclusive government. While donors might chip in to support specific programmes, ultimately there will need to be a political compromise that allows for some cost recovery, especially from salaried and higher income groups that can afford it. For the majority, while the economy recovers, it might mean reliance on a social protection system to provide for basic health services.

Other health issues: the role of civil society

In the last five years the international community has channelled some of its resources through civil society. This is likely to continue in the long term, as it is part of the donor development agenda to empower civil society and include civil society actors in decision making on social issues such as health.

9 Social protection for the poor

Social protection is public action undertaken to address vulnerability, risk and deprivation within the population. After almost a decade of crisis, most governmental forms of social protection have all but ceased and non-state actors (communities, local and foreign NGOs) have been doing most of the work to protect the vulnerable and poor. With declining formal employment and hyperinflation, social insurance has become all but worthless, while there was little scope to enforce labour-market regulation. However, publicly funded social assistance still continued, though at a reduced rate and often under accusations of the politicisation of programmes. At the peak of the crisis, most of the distribution of food aid was done by non-state actors, which targeted orphans and other vulnerable children and adults.

By the time the inclusive government took over, systematic social assistance programmes failed to offer social protection to those who needed it. The state run programmes that remained (mainly food aid and agricultural input support) were seen as partisan, politicised and inadequate, and non-state actors played a prominent role in social protection for the poor. As such, rebuilding social assistance in post-crisis Zimbabwe is not merely predicated on resolving the political stalemate and normalising economic activity, but also on revisiting the role of the state and markets in social protection. It is clear from experiences in Latin America and other African countries that the state is increasingly expected to take a lead in developing comprehensive social protection schemes for its citizens in ways that advocates of small government may not like. Given the fact that the protracted crisis left most Zimbabweans poor, there is a strong case to be made for a comprehensive review of social protection provision.

Rebuilding social protection systems

In the short term, the inclusive government and its successor will need to establish a minimal livelihood floor, below which citizens will not fall. Non-state actors have become the face of social protection for the poor, perhaps even being seen as a surrogate state. While state capacity to manage large, complex programmes is being restored and confidence is built among citizens that state institutions will be non-partisan, non-state actors will necessarily continue to play a significant role, especially during the inclusive government’s two year tenure. It is imperative that the state uses this time to carry out a comprehensive review of social protection for its citizens and formulate a more integrated and inclusive social protection system. Such a review would ensure that the state regains initiative and visibility over the period the inclusive government is in power. The suggestion here is not for dismantling the involvement of non-state actors in social protection. Rather, it is for a restoration of coordinated planning and systematic social protection by the state.

Conditional cash grants for orphans, vulnerable children and the elderly

The crisis hit orphans, the elderly and adults with chronic illnesses the hardest. Although the state and some non-state actors have provided for some of their needs (notably medicine and food) the inclusive government will need to find ways to extend coverage to these groups. As the supply situation improves, consideration should be given to shifting from food packages to cash transfers, perhaps predicated on some health and education conditionalities. Food packages worked very well in the shortage-prone hyperinflation environment prior to dollarisation. However, experience from Mozambique suggests that its continued use in situations where the supply situation has improved could undermine food markets and ultimately farm production itself. Cash grants can instil confidence and provide a level of independence that direct food aid may not achieve in some situations. Evidence from Malawi and Zambia suggests that cash programmes can be more effective than food packages. However, there needs to be a minimum level of organisation to get this to work, and in the case of Zimbabwe the system of rural banking that had developed has now largely disappeared. A cash grant scheme could provide the impetus to rejuvenate them. To prevent the obvious moral hazards, families should be enrolled for no more than five years and the government, rather than donors, should take a lead in resourcing the programme in the long term. In the interim, donor support, both technical and financial, will be required. Questions of affordability will be raised, given the state of the national economy. Our view is that the inclusive government must begin to show commitment to its citizens and this is one way to do this.

Workfare relief

A major priority for the inclusive government will be to ensure food security to both the urban and rural poor. Workfare relief might be a sustainable medium- to long-term response to the severe food insecurity across the country. Labour-based relief for able-bodied adults, while keeping a streamlined food aid programme for primary school children and the elderly, would help stretch the government’s resources over the anticipated long relief period. With unemployment as high as 80 per cent, and a situation in which a significant portion of the country’s physical infrastructure (sewage systems, water systems, roads, rural schools, clinics, etc) is in a state of disrepair, trading famine relief for labour and the (re)construction of physical infrastructure would be prudent. The success of labour-based relief in post-crisis Zimbabwe will be predicated on adequate technical monitoring and supervision of
Reducing poverty and promoting growth

Specific steps include: to poorer people, and develop a client orientation are priorities. The bureaucracy to deliver services effectively, especially on ‘softer’ aspects such as organisational culture. Improving the re-establishing training institutions, there will be a need to work programmes, politicisation has compromised service delivery to Apart from staff attrition and declining budgets to implement in the early 1990s, has been severely weakened by the crisis. Zimbabwe’s public service, one of the best in sub-Saharan Africa 10 Rebuilding the public service Zimbabwe’s public service, one of the best in sub-Saharan Africa in the early 1990s, has been severely weakened by the crisis. Apart from staff attrition and declining budgets to implement programmes, politicisation has compromised service delivery to all citizens. Public management is one of the key areas that will need attention. In addition to rebuilding the bureaucracy, through concrete tasks such as filling vacant posts, re-installing systems and re-establishing training institutions, there will be a need to work on ‘softer’ aspects such as organisational culture. Improving the capacity of the bureaucracy to deliver services effectively, especially to poorer people, and develop a client orientation are priorities. Specific steps include:

i Ensuring that civil servants are fairly rewarded and are motivated to work.

ii Strengthening the capacity of permanent secretaries to take a leading role in the reforms, through targeted staff development programmes, especially in corporate planning, strategic management and the promotion of a culture of excellence.

iii Introducing regular and simple customer surveys in order to enhance accountability and assess the conduct of public officials in service delivery, and to ensure that services offered are accessible and meet client needs.

iv Improving gender mainstreaming mechanisms in order to make this re-vitalisation of the public service an opportunity to challenge existing gender stereotypes and reach the target of 30 per cent women in decision-making positions by 2015.

v Strengthening mechanisms for detecting and dealing with corruption. The establishment of the Anti-Corruption Commission is of paramount importance.

vi Re-creating the capacity of government agencies, and especially the Central Statistical Office, to produce accurate statistics for planning.

11 Reconnecting Zimbabwe through information and communication technologies

During the period of crisis, the information and communication technology (ICT) sector suffered, like all the other sectors, and has been caught in a time warp. Zimbabwe is ranked among the lowest countries in the world for information technology, placed 132nd out of a total 134 countries in 2009. Compared to other countries in the region, Zimbabwe has been slow to embrace the commercial and governance potential offered by the new ICTs. This can be attributed to a combination of fear of losing control by the state and, the poor investment climate that characterised the decade-long economic decline. Growth of the mobile sector in Zimbabwe was disappointing, although the number of internet users grew at a faster rate and was estimated at 1,351,000 by 2009. Although partly attributable to the investment climate, the disappointing uptake of ICT was more to do with a reluctance to embrace ICTs for political reasons. Similarly, with respect to mobile telephony, which has greater relevance for Zimbabwe, there was little progress as the transformational benefits through new and innovative offerings like mobile banking (m-banking) have not taken root on the scale of those in South Africa (WIZZIT) and Kenya (M-Pesa). The potential for this industry to generate jobs is already evident and the inclusive government will have to embrace this technology rather than fear it. Four key priorities for reconnecting Zimbabwe will revolve around:

i Implementing a sound ICT policy that recognises the central role of ICTs in national development. Policy should be based on a robust and coherent framework that responds to the cross-sectoral nature of ICTs. This is one way to avoid contradictions and sub-optimal resource utilisation. The establishment of a Ministry for ICT creates an institutional base from which to direct a sound policy environment for the sector.

ii Promoting competition and public-private partnerships. A recent ICT survey in Zimbabwe identified as priorities infrastructure development; finance mobilisation; and human resource development and capacity building. On infrastructure and financial resource mobilisation, the critical issue is to open the market to competition and create a policy and regulatory environment that is investor friendly. The growth of ICTs in African countries such as Nigeria is directly linked to creating a competitive environment, lowering barriers to entry, and allowing market forces to determine the pace of growth. Competition encourages investment and reduces access costs for consumers. The telecommunications market in Zimbabwe cannot be said to be competitive with only one dominant player.

iii Capacity building. Countries that use the ICT industry as an export market have invested in human capital development. Simply implementing the right policies and regulatory environment will not produce the skills to run the sector, or attract back lost talent. In the long term, there is a need to create an e-culture that extends to primary education, and promotes ICT use at an early age. At tertiary level it is
essential to establish centres of excellence in ICT. The state can lead this, but private sector involvement is also needed.

iv Sector regulation. A perception that regulation and regulators have been subjected to political interference and serve the state rather than citizens diminishes confidence and the ability to fully embrace the opportunities that ICTs offer. It is in the interest of ICT sector growth, and the long-term interest of the inclusive government, to promote regulatory environments that build trust and confidence amongst mobile firms, investors and consumers to facilitate ICT-enabled development.

12 Migration remittances and poverty focused reconstruction

Major population movements have taken place as a result of the Zimbabwe crisis – ‘guesstimates’ suggest that anything between 1.5 and 3 million Zimbabweans have migrated. Most skilled professionals remain within the region, especially South Africa, Botswana and Namibia, though a significant number migrated to Australia, Canada, New Zealand, the UK and the USA. Most migrants were able bodied and of working age, which has caused a major human capital loss and is partly responsible for the decline in productivity and service delivery. Evidence elsewhere suggests that in the short term it is unlikely that those who have settled and are gainfully employed will migrate back to Zimbabwe once the situation stabilises. As such, although the migrants could potentially help to rebuild the lost human capital base, there is a tendency to overplay their contribution as it is mainly the less skilled and those that are educated but unemployed who are likely to return. There are three main ways in which the diaspora could help in the reconstruction of Zimbabwe.

First, they could be a significant source of investment capital, if the correct mechanisms are put in place. Available evidence suggests that to date most investment by migrants is spent on sustaining relatives or goes towards conspicuous consumption. However, in Asia and South America the evidence suggests that migrants have made a difference when organised into hometown associations that have the support of the state. Clearly the state will need to move in this direction if it wants to effectively tap into the savings of the migrants. Caution is required, however, as migrants from countries in crisis often have limited ability to save and there may well be little savings for investment in reconstruction among Zimbabwean migrants. Nonetheless, schemes to encourage savings are needed, perhaps through creating tax incentives for non-resident Zimbabwean migrants. It may well be that it is the migrants who have settled and are gainfully employed who will migrate back to Zimbabwe once the situation stabilises. As such, although the migrants could potentially help to rebuild the lost human capital base, there is a tendency to overplay their contribution as it is mainly the less skilled and those that are educated but unemployed who are likely to return.

Second, some migrants working as professionals have gained valuable experience. The inclusive government will need to find ways to lure them back (even for short periods) to share their skills and knowledge. It is probably in these non-pecuniary remittances that Zimbabwe could gain the most. Some who make a short visit may be enticed to return permanently if convinced that they can cope with life in what is now a very changed country. This is one area where the inclusive government, working with donors, can harness the human capital that probably benefitted the most from post-independence investment in education. The health and education sectors should be targeted most as these were the areas hardest hit by the brain drain.

Third, migrants need to feel that the inclusive government values them as citizens and does not view them as having divided loyalties. Confidence-boosting measures would include allowing dual nationality, restoring voting rights for migrants who hold Zimbabwean citizenship and creating mechanisms for them to be heard. In exchange, migrants should be prepared to pay an annual tax for retaining Zimbabwean nationality. Clearly this would be controversial but it could be a way for migrants to contribute directly to the state budget.

13 What roles for development partners?

Development partners from traditional donor countries and new players (China, India, etc) are unsure how to respond to the opportunity created by the formation of the inclusive government. They want to help poor Zimbabweans but are deeply suspicious of the country’s politicians, civil servants and business leaders since the crisis years. Nonetheless, most donors have a clear idea of what to do and not to do: do not proliferate programmes; coordinate activities; identify lead agencies on issues so that transitional authorities do not get drawn into too many meetings; pool resources; and build on local capacities. The Paris Declaration lists most of the ways to make donor funding in Zimbabwe more effective. Donors just need to follow their own agreement!

14 Other issues

A truth and reconciliation commission

There are bitter differences amongst Zimbabweans that will not disappear even if things go well from now on. The possibility of creating a Truth and Reconciliation Commission should be explored. The global leaders on this issue – South Africa – could provide guidance.

Universities and tertiary education

As researchers, we have seen the difficulties our colleagues in Zimbabwe have faced and the weakening of the country’s highly reputed institutions. As with other sectors, it will be Zimbabweans who will lead on this issue. Distant friends can re-activate academic partnerships, win resources to undertake collaborative research and seek opportunities to reconnect Zimbabwean academics and researchers with the world of ideas. Restructuring the country’s tertiary education sector is not simply about ‘education’: it is a key entry point for reactivating civil society and informed public debate about national futures. A first step would be for researchers to undertake rapid surveys, so that the basic data needed for public planning – population, gender, employment, well-being – starts to improve.

15 Conclusion

Zimbabwe has an opportunity to move forward now. This independent report outlines a strategy to hasten the recovery process by integrating policies to raise productivity, generate employment and directly tackle poverty. At its core is kick-starting the economy through a focus on agriculture and particularly small farmers. Quick wins can be achieved by restarting agricultural production in communal lands, old resettlement areas and the ‘new’ A1 resettlement schemes by providing ‘full packages’ of agricultural inputs for the next three seasons. Subsequent initiatives would restart the commercial farmers and help smallholders diversify into higher value products.
Priority areas are also identified for other sectors:

i **Land reform** – replanning A1 units, land audits, re-establishing the Land Registry, land taxation and compensation to former landowners (that will harness their technical and entrepreneurial skills for national development).

ii **Water reform** – to ensure that those with land can access the water they need for production.

iii **Environmental audit** – to assess the state of the environment, especially forests and wildlife, and re-activate the Environmental Management Authority.

iv **Education sector** – priority actions are identified to get teachers and children back into school, to raise enrolment rates and to improve the quality and relevance of education.

v **Health sector** – a three-stage plan proposes (i) the re-establishment of basic emergency and health services (accident and emergency, immunisation, obstetrics, communicable and seasonal illnesses, de-worming); (ii) medium-term restoration of essential services; (iii) longer-term rehabilitation of the health service. There will be a strong role for civil society in these processes and difficult questions about resourcing will need to be addressed.

vi **Social protection for the poor** – in order to be reproductive, Zimbabwe’s poor majority will need a basic level of security. An evolving social protection system can provide this, through sequenced cash grants and cash for work schemes.

vii **Rebuilding the public service** – Zimbabwe’s once excellent public service can be revived by re-starting salaries, depoliticising decision-making, strengthening the role of permanent secretaries and other actions. A key priority is to re-establish government agency capacities to produce accurate statistics for public planning.

viii **ICT development** – by reforming regulatory policies, so that competition is enhanced and private sector investment drawn in, Zimbabwe can rapidly reconnect itself to the world and develop low-cost service delivery mechanisms for low-income people – microfinance, cash transfers, agricultural information and much more.

ix **Utilising the diaspora** – though it is likely to prove impossible in the short term to attract back skilled workers who have migrated during the crisis, policies should be explored to encourage short return visits, to fill skills gaps and share knowledge. Policies are also needed to encourage the investment of migrants’ savings back into Zimbabwe to foster growth.

x **Development partners** – Zimbabwe’s development partners face a dilemma: how to help its long-suffering people whilst ensuring that governance improves. Once they start to transfer resources, they can effectively support capacity development and institutional strengthening by honouring the Paris Declaration.

Many other issues will need to be addressed, such as exploring whether a Truth and Reconciliation Commission could lay firm political foundations for the future by reconciling victims and perpetrators, and re-activating Zimbabwe’s universities and colleges. None of the policies and actions recommended here will be easy, but the opportunity exists to improve wellbeing, restart growth and become a proud people and a unified nation once again. Openly deliberating on how to seize this opportunity is the first step in moving forward.
Chapter 1: Zimbabwe’s economy and the causes of the crisis

1.1 Introduction

When Zimbabwe signed up to the Millennium Development Goals (MDGs) in September 2000 and adopted targets to (a) halve by 2015 the proportion of people with income levels below the Total Consumption Poverty Line, and also to: (b) halve by 2015, the proportion of people living in poverty as measured by the Human Poverty Index (HPI), the country was already experiencing what is now generally referred to as a socio-economic and political crisis. Triggered partly by a programme to redistribute land mainly from white commercial farmers to the majority black Zimbabweans and by reactions to this programme, the crisis quickly assumed multiple dimensions that have undermined any vestige of progress toward these goals. About 72 per cent of the population already lived below this line by 2003 and current monitoring reports suggest the country will be one of several African countries that will fail to meet these crucial goals on poverty. A look at the HPI trends clearly shows the impact of the decade long crisis. From an impressive HPI of 17 per cent in 2000, available data suggest a more than doubling in poverty rates to 40.9 per cent by 2006. Similarly the country has been sliding down the UNDP Human Development Index ranking. From a respectable 52 in 1990, the country was ranked 108 in 1992, 129 in 1997 and by 2005 it was ranked at 155 of the 177 countries. On current evidence it is clear that a majority of Zimbabweans are emerging from this crisis poorer than they have ever been at any time since independence.

The formation of the transitional Inclusive Government (IG) in March 2009 created prospects for stabilisation and can lay the foundation for reconstruction and long-term socio-economic development. Among the many pressing issues one of the key issues the IG needs to be dealing with is the general welfare of an impoverished nation. Experience in post-crisis situations elsewhere in Africa shows that if care is not taken to deliberately formulate welfare policies that address poverty, such concerns are soon subsumed under a myriad of problems that the state has to deal with. In order to make rapid progress toward achieving the MDGs, the IG will need to move toward identifying the areas of policy that can quickly stabilise incomes and reduce the numbers of people living in poverty.

In a modest way this report seeks to generate debate and add to contemporary discussions on how to stabilise, reconstruct and develop Zimbabwe with a particular focus on a pro-poor agenda. The idea is not to argue for a narrow poverty agenda but to ensure that in discussions about the need for stabilisation and economic growth there is due attention paid to how this growth will translate into better lives for a majority of Zimbabweans. In doing this we make the plausible assumption that increasing impoverishment of the majority of Zimbabweans is among the most potent threats to long term national stability. We therefore seek to explore ideas and generate discussion about general development strategy and the mechanisms for transmitting the benefits of growth to those currently living in poverty. In short, our aim is intellectual engagement with policy issues to ensure that reconstruction and future development efforts are crafted in a way that ensures that the benefits of economic growth will improve the welfare of those living in poverty.

While the country has been gripped by this crisis the global poverty agenda has progressed and new ideas on how to reduce and in some cases eradicate poverty have begun to influence how countries in Africa respond to the welfare challenges within their borders. Our intention is to review some of these experiences (particularly the post-conflict countries in Africa) to see how their lessons can benefit the rebuilding process in Zimbabwe. Before taking a look at the effects of the crisis and prospects for stabilisation, reconstruction and development it is important to give a brief background to the country as a context to discussions of the crisis.

1.2 Physical context of development

Zimbabwe has an area of 390,245 square kilometres. An outstanding feature of its physical geography is the central plateau (also called the highveld). This has an altitude of 1,200m and stretches for 650km from the southeast toward the northeast of the country. At its widest point it extends for 80km. On either side of this central plateau is the middleveld that has an altitude ranging between 600m and 1,200m above sea level. With an altitude below 600m the lowveld is mainly located along the Zambezi river valley and the stretch of land between the Limpopo and Save river valleys. Rainfall in Zimbabwe is broadly related to altitude, making the identification of high, middle and lowvelds useful for characterising areas of agro-ecological potential. This is a critical observation in a country where dry land farming based on one natural growing season (October to March) provides a livelihood for to up to 70 per cent of the population.
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In the 1960s an official study of the relationship between physical attributes and farming potential was published that divided the country into five agro-ecological regions. This has since been adopted as the official indicator of natural farming potential. Figure 1.1 shows the five natural farming regions while Table 1.1 shows the main features of the regions. We can draw out four key points pertinent to this report. First, more than fifty per cent of the country lies in regions classified as being generally unsuitable for dry land farming without additional investment in water technology. Regions IV and V were deemed too dry for crop production without irrigation. Small grains, particularly millet and sorghum, could be produced in some parts of this region; although seasonal and periodic droughts are a common feature afflicting most farm based livelihoods pursuits. With changing production practices and innovations from the early 1980s, regions IV and V have seen increased production of high value tourism products based on wildlife farming (Moyo, 2000).

Secondly, only 38 per cent of the country was deemed to have natural farming potential. Region I was seen as suitable for specialised and diversified farming, especially activities related to forestry, fruit and intensive livestock production. Region II was deemed suitable for diversified farming that includes production of flue-cured tobacco, maize, cotton, sugar, beans, coffee, sorghum, groundnuts, seed maize, barley and related horticultural crops. It was also seen to have potential for irrigated winter wheat, poultry, beef and dairy production. Some parts of Natural Region III with suitable terrain were seen as being marginally suitable for semi-intensive farming, especially the production of grains and livestock. The implication therefore is that the 38 per cent of the country that is less prone to seasonal and periodic droughts is highly desirable for those pursuing agriculture-based livelihoods. It must be added, though, that the issue of carrying capacity must be viewed in relation to the financial capital and technology available to users of the land. Where users apply modern and higher productivity technologies, the carrying capacity of the area can be higher than situations where subsistence low productivity technology is used, as is the case in much of Zimbabwe. Farming technologies in communal areas have not changed significantly over the past hundred years, and have remained effectively non-mechanised,
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However, disregards other livelihood activities that can be pursued outside agriculture. The country is endowed with mineral resources that, apart from generating foreign currency and formal sector employment, have over the past decade emerged as an important livelihood diversification strategy by rural households – mainly through artisanal mining.

1.3 Economic context of development in Zimbabwe

The economy exhibits what Mhone (2000) aptly describes as segmentation and enclavity typical of most post-settler colonial states in Southern Africa. Segmentation refers to the existence of an urban and a rural sector of the economy. The urban economy is characterised largely by manufacturing and value addition while the rural sector is mostly about raw material production. The term enclavity refers to the co-existence of a regulated formal sector labour intensive and of low productivity, hence the policy challenge of inadequate rural incomes.

Thirdly, where a family is located has significant implications for its capacity to make a living off the land. Table 1.2 shows the interplay between population distribution, land use and agro-ecological potential. With up to 74 per cent of all communal lands located in the drier Regions IV and V, it is not too difficult to see why this marginality, when combined with high population densities and relatively basic production technologies, has implications for the ability of these families to make a living and stay out of poverty. Consequently, if poverty is to be addressed either future policy efforts need to influence the movement of rural agricultural activity away from the more fragile zones, or new technologies will have to be found to make these areas more productive.

A fourth point to note about these bio-regions is that the analysis was based on natural farming potential alone. This, however, disregards other livelihood activities that can be pursued outside agriculture. The country is endowed with mineral resources that, apart from generating foreign currency and formal sector employment, have over the past decade emerged as an important livelihood diversification strategy by rural households – mainly through artisanal mining.

Table 1.1: Main features of the five natural farming regions of Zimbabwe.

<table>
<thead>
<tr>
<th>Natural region</th>
<th>Area (ha)</th>
<th>Per cent</th>
<th>Main features</th>
<th>Natural agricultural potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>613,233</td>
<td>1.56</td>
<td>Rainfall in excess of 1050mm precipitation in all months of the year, relatively low temperatures.</td>
<td>Specialised and diversified farming. Forestry, fruit, intensive livestock, tea, coffee.</td>
</tr>
<tr>
<td>II</td>
<td>7,343,059</td>
<td>18.68</td>
<td>Rainfall between 700mm-1050mm per year mainly in summer.</td>
<td>Intensive farming. Crops and intensive livestock production.</td>
</tr>
<tr>
<td>III</td>
<td>6,854,958</td>
<td>17.43</td>
<td>Rainfall between 500-700, infrequent but heavy falls of rainfall, seasonal droughts, relatively high temperatures.</td>
<td>Semi-intensive farming. Livestock, fodder and staple and cash crops like maize, tobacco, cotton.</td>
</tr>
<tr>
<td>IV</td>
<td>13,010,036</td>
<td>33.03</td>
<td>Rainfall between 450-600mm per year, frequent seasonal droughts, relatively high temperatures.</td>
<td>Semi-extensive farming. Livestock farming, drought tolerant crops.</td>
</tr>
<tr>
<td>V</td>
<td>10,288,036</td>
<td>26.2</td>
<td>Rainfall less than 500mm, erratic. Northern Lowveld may have higher rainfall but topography and poor soils make it unsuitable for arable agriculture.</td>
<td>Extensive farming. Extensive cattle ranching, wildlife farming, crops only possible with irrigation.</td>
</tr>
<tr>
<td>VI</td>
<td>1,220,254</td>
<td>3.1</td>
<td>Unsuitable for any type of agricultural land use.</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>39,329,576</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Vincent and Thomas, 1962.

Table 1.2: Distribution of population by natural region in communal and commercial farmland.

<table>
<thead>
<tr>
<th>Natural region</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>V</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communal areas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population in natural region, x10³</td>
<td>51.7</td>
<td>625.5</td>
<td>939.9</td>
<td>1857.7</td>
<td>798.0</td>
<td>4272.8</td>
</tr>
<tr>
<td>% of population in communal area</td>
<td>1.2</td>
<td>14.6</td>
<td>22.0</td>
<td>43.5</td>
<td>18.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total area, km² x 10³</td>
<td>0.9</td>
<td>16.0</td>
<td>31.1</td>
<td>78.3</td>
<td>44.2</td>
<td>170.5</td>
</tr>
<tr>
<td>Population density, people per km²</td>
<td>57.4</td>
<td>39.1</td>
<td>30.2</td>
<td>23.7</td>
<td>18.1</td>
<td>25.1</td>
</tr>
<tr>
<td>Commercial farmland</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population in natural region, x10³</td>
<td>172.1</td>
<td>735.6</td>
<td>261.5</td>
<td>243.9</td>
<td>144.1</td>
<td>1557.2</td>
</tr>
<tr>
<td>% of population in communal area</td>
<td>11.1</td>
<td>47.2</td>
<td>16.8</td>
<td>15.7</td>
<td>9.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total area, km² x 10³</td>
<td>8500</td>
<td>42.3</td>
<td>37.9</td>
<td>46.1</td>
<td>32.9</td>
<td>167.7</td>
</tr>
<tr>
<td>Population density, people per km²</td>
<td>20.2</td>
<td>17.4</td>
<td>6.9</td>
<td>5.3</td>
<td>4.4</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Source: Mehretu and Mutambirwa, 2006.
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alongside a loosely regulated non-formal sector (consisting of the communal subsistence sector and the informal sector). We shall return to the implications of this in our discussion of labour markets in Chapter 3, it is crucial to note that official measurements of the Zimbabwean economy often only reveal what happens in the formal sector, despite the informal sector having become in large part the ‘real economy’.

The structure of the economy has been changing, largely in response to the economic policies adopted by the state. Analyses of post-independence economic policy show that the economy has gone through three distinct policy swings – from interventionism (1980-1990) to structural adjustment (1991-1995) to management by crisis (1997 to 2008). At independence in 1980 the post-colonial state inherited and maintained a diversified import substituting economy that had endured more than a decade of economic sanctions. Characterised by state intervention in markets, during this time manufacturing, agriculture and distributive services drove the economy. Figure 1.2 shows a typical structure from the interventionist years.

The country adopted an IMF inspired economic structural adjustment programme (ESAP) in 1990. ESAP is often credited with deindustrialisation of the economy as it led to a decline in the contribution of manufacturing to the economy. By 2002 the contribution of manufacturing to GDP had declined to 13 per cent (see Figure 1.3). The main sectors of the economy remain agriculture and manufacturing but the contribution of the services sector has grown substantially, especially finance and insurance, the social sectors (especially education) and transport and communication. Surprisingly, although the country is well endowed with minerals, the share of mining has changed little over time. Although showing a slight increase in its contribution to GDP in the 2002 data, this is actually down from the 8.8 per cent share at independence in 1980.

When Figures 1.2 and 1.3 are compared, the rank order change in the structure of the economy is clear. They depict an economy that transformed from a manufacturing-based to an agrarian- and service-industries-based economy. It is also clear that sectors dependent on foreign currency have not done well. The economy has become less diverse and contemporary evidence suggests that the nearly ten years of decline have changed the structure even further.

Formation of the IG in March 2009 and subsequent dollarization of the economy brought a measure of stability to an economy that had been characterised by instability and unprecedented decline. Hyper-inflation that reached 231 million per cent per year in July 2008 showcases the unstable economy, which was also characterised by a poor performance in all productive sectors, especially the key drivers – manufacturing, agriculture and mining. This is reflected in the recorded decline in gross domestic product from US$2,892 in 2000 to US$2,212 by 2007.

The first decade of independence can be described as one of growth while the second was one of stagnation, followed by collapse in the post-2000 period. Figure 1.4 illustrates growth trends in GDP, manufacturing, and agriculture between 1980 and 2005. It shows positive but fluctuating growth for nearly two decades till the late 1990s when the economy went into an extended recession. Figure 1.4 also shows that manufacturing growth is related to agriculture growth, especially until the early 1990s. This is because manufacturing depends on agricultural raw materials. Estimates suggest that as much as 60 per cent of raw materials for the manufacturing sector come from agriculture.

It is worth noting here that GDP growth is driven by the
performance of the agriculture and manufacturing sectors. Each time a drought occurs (about once every four years), these two sectors of the economy underperform and drag GDP growth down. Figure 1.5 shows the fluctuations in their contributions to GDP. The three sectors, which contributed over 40 per cent of GDP in any given year, significantly influence what happens to the economy. The link here is with rainfall patterns. Analysis of GDP growth and rainfall data for the first 16 years of independence has found a correlation coefficient of 70 per cent.

The performance of agriculture and manufacturing also influences what happens to employment growth in the formal sector, as Figure 1.6 shows. It is clear that formal employment had also shrunk substantially, from about 3.6 million in 2003 to an estimated 480,000 by 2008.

In the next section we look at some of the key causes of this socio-economic decline that is now commonly referred to as a crisis.

1.4 Multiple causes of the Zimbabwe crisis

Data sourced from World Bank tables and are based on 2000 prices. Note this uses value-added figures derived from the difference between output price and cost of intermediate inputs.
The causes of Zimbabwe’s crisis are multiple and complex. We cannot discuss them all, so in this section we identify the main factors that link directly to some of the key themes of this report. Even as we draw out particular social, economic and political events, we are mindful of the fact that it is how these are managed that ultimately influences the severity of their impact and hence their contribution to the socio-economic crisis. The main point, however, is that there was no single factor that caused the crisis but a combination of multiple factors. Further, as will become apparent, although the crisis worsened since 2000 its economic origins predate the political manifestations that emerged at the turn of the millennium.

Economic growth and the structural adjustment programme

Up to the introduction of the ESAP in 1991, Zimbabwe had a fairly diversified economy in which manufacturing played a much bigger role than in other African economies. The economic strategy was interventionist, premised on growth with equity (Neube, 1995). After independence, GDP growth averaged 3.2 per cent between 1980 and 1989 but needed to be higher to provide for a growing population and huge programmes of social expenditure by the state. Although poor export performance and the lack of meaningful foreign investment resulted in serious shortages of foreign currency before the implementation of ESAP, controls on imports and capital repatriation protected the domestic industry and the balance of payments. Interest rate controls kept domestic liquidity cheap to finance budget deficits and service debts. However, the inadequate level of economic growth, attributed to structural problems in the economy in the face of mounting demands on the fiscus, spurred the country to embark on economic reforms (Mumvuma, 2002). Trade liberalisation was predicted to create high and sustainable levels of export growth and open the country to external competition, earning the country foreign currency and increasing productivity (Hess, 2001).

Introduced as a five year programme, ESAP actually saw a decline in average real GDP, the growth of which averaged 1.7 per cent between 1991 and 1996 while per capita income actually contracted by -1.9 per cent to Z$1,992 compared to Z$2,998 just

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</tr>
</thead>
<tbody>
<tr>
<td>GDP (%)</td>
<td>4.3</td>
<td>3.2</td>
<td>4.4</td>
<td>-5.5</td>
<td>4.6</td>
<td>2</td>
<td>4.8</td>
<td>5.3</td>
<td>5</td>
<td>-0.2</td>
</tr>
<tr>
<td>Exports (US$m)</td>
<td>1825</td>
<td>1642</td>
<td>1982</td>
<td>1527</td>
<td>2159</td>
<td>1625</td>
<td>2363</td>
<td>1969</td>
<td>2593</td>
<td>2718</td>
</tr>
<tr>
<td>Imports (US$m)</td>
<td>1606</td>
<td>1564</td>
<td>1746</td>
<td>1776</td>
<td>1860</td>
<td>1526</td>
<td>1986</td>
<td>1798</td>
<td>2115</td>
<td>2882</td>
</tr>
<tr>
<td>Overall Balance (US$m)</td>
<td>136</td>
<td>-103</td>
<td>114</td>
<td>-32.7</td>
<td>123</td>
<td>208.3</td>
<td>108</td>
<td>270.5</td>
<td>114</td>
<td>44</td>
</tr>
<tr>
<td>Total Revenue as % of GDP</td>
<td>39.3</td>
<td>33.5</td>
<td>39.6</td>
<td>35.7</td>
<td>39.2</td>
<td>31</td>
<td>38.9</td>
<td>30.4</td>
<td>38.3</td>
<td>30.1</td>
</tr>
<tr>
<td>Total Expenditure as % of GDP</td>
<td>46.9</td>
<td>42.7</td>
<td>45.7</td>
<td>44.1</td>
<td>44</td>
<td>41.4</td>
<td>42.6</td>
<td>38</td>
<td>41.5</td>
<td>42.4</td>
</tr>
<tr>
<td>Government Deficit as % of GDP</td>
<td>9.3</td>
<td>-9.2</td>
<td>7.8</td>
<td>-8.4</td>
<td>6.6</td>
<td>-10.4</td>
<td>5.5</td>
<td>-7.6</td>
<td>5.0</td>
<td>-12.2</td>
</tr>
<tr>
<td>Inflation (%)</td>
<td>16</td>
<td>39.7</td>
<td>14</td>
<td>46.3</td>
<td>12</td>
<td>18.6</td>
<td>10</td>
<td>21.1</td>
<td>10</td>
<td>22.6</td>
</tr>
</tbody>
</table>

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before ESAP. Similarly, average inflation rose from 15 per cent to 25 per cent, while interest rates trebled (Moore, 2003). Implementing ESAP reforms required US$3.5 billion in new foreign loans over five years, which added to the existing debt of US$2.5 billion. Even worse, during the 1992/93 fiscal year, interest payments on both foreign and domestic debt increased 15 per cent more than projected due to interest and exchange rate volatility (World Bank, 1995). Table 1.3 shows the deteriorating macroeconomic indicators during the reforms.

Under ESAP, Zimbabwe also suffered what has been described as ‘deindustrialisation’. This was evident in several key manufacturing sectors, such as textiles, which saw a 61 per cent contraction between 1990 and 1995 (Carmody, 1998) and manufacturing output in general fell more than 20 percent between 1991 and 2000 (Ismi, 2004). Reduction in social spending by the state also affected basic social services and a parallel programme of reforming the civil service saw 25 per cent of public workers laid off. Unemployment reached 50 per cent by 1997. In spite of a programme to mitigate the social effects of adjustment the percentage of people living below the poverty line rose from 50 per cent to 75 per cent. These social costs created a public backlash culminating in what the media termed ‘IMF Riots’, the most severe of which were the 1994/5 bread riots in the capital city, Harare. Public workers went on strike in 1996, followed by numerous other trade union organised strikes in 1997. The public unrest and a heavy handed response to growing discontent fermented resentment, mostly among the urban dwellers hardest hit by the impact of the reforms. Among other political factors this resentment led unions and other actors to form the Movement for Democratic Change on an agenda to protect the rights of individuals seen as being undermined by state actions. It was partly the resulting struggle for hegemony between the newly formed opposition and the ruling party that led to a new political dimension to the crisis. In some ways, it can be said that although ESAP had some successes, its failure to drive GDP growth during the 1990s could have laid the foundations for the unstable economic environment that, coupled with a crisis in political governance, led to the rapid economic decline that is evident in the GDP growth trends from the year 2000 onward. However, there is a need to balance this point with the unknown trajectory of the economy had ESAP not been implemented.

Economic management and ‘Black Friday’

On the 14th of November 1997 (now called Black Friday) the Zimbabwe dollar lost 71.5 per cent of its value against the US dollar and the stock market crashed, wiping off 46 per cent from the value of shares as external investors lost confidence in the currency. Debates are inconclusive on the real causes of Black Friday but contributory factors include economic management decisions (Gopinant, 1998), the failure of the IMF’s structural adjustment programmes and the attendant decline in investor confidence (Mambondiyani, 2006). Two major economic management decisions by the state are often singled out as triggering ‘Black Friday’, both involving unbudgeted expenditure. These were: payments made to veterans of the war of liberation struggle; and the country’s involvement in the civil war in the Democratic Republic of Congo (DRC) (Moore, 2003; Gopinant, 1998). It is thought that these ad hoc economic management decisions outside of the normal budget process played a major role in the loss of investor confidence, which deepened an emerging economic recession.

Land reform and its impact on the economy

In November 2008, up to 80 per cent of the population survived on less than US$2 per day. The country had become a world leader in creating poverty (Photo © Tsvangirayi Mukwazhi).
The timing and execution of the Fast Track Land Reform programme is often seen as the immediate trigger of the full blown political and economic crisis. In 1980 the government had embarked on a programme to correct historical imbalances in land ownership. Although by 1998 some 182,000 black families had been resettled on land purchased via the market from former white commercial farmers, most fertile land still remained in the hands of 4,500 commercial farmers. By the time a donor conference was called in December 2008, the land redistribution programme had all but stalled. In addition to donor funds drying up and implementation capacity issues, there was also resistance by some white commercial farmers to sell land. Although it was later regularised into a government programme, the fact that the Fast Track Land Reform Programme started spontaneously and violently and was spearheaded by veterans of the war of liberation created insecurity. Controversy over compensation soured relations with some international donors, while disorganised land reform disrupted production on commercial farms, and with the newly settled farmers severely undercapitalised the foreign exchange earnings from agriculture declined. In addition, some 300,000 former farm workers were displaced and left in limbo.

Withdrawal of aid

Through ESAP Zimbabwe had come to rely on international finance for balance of payments support. More generally, donors supported the various state social development programmes and estimates suggest that by the time of the land invasions up to 18 per cent of recurrent expenditure budget was financed this way. The government’s social programmes channelled money into improving education, healthcare, land redistribution and infrastructural developments. Aid volumes had been falling in Zimbabwe since 1994 and declined further when the Fast Track programme started. The volatility of aid increased and amplified the macro-economic and balance of payment crises. This decline in aid occurred when the Zimbabwean economy needed international support the most.

Economic and political sanctions

The contribution of political and economic sanctions to the Zimbabwean economic crisis is a controversial subject which needs further analysis. Sanctions are often cited by the government as the major cause of Zimbabwe’s economic collapse. A closer look at the country’s import and export activities between 1990 and 1999 (before the onset of the land redistribution programme) reflects the emergence of Africa as a major trading partner for the country. This is largely attributed to the opening up of South Africa in 1994. However, whilst imports showed a marked increase between 1990 and 1999, export performance dragged behind increases in imports over the same period. Therefore, it became apparent as far back as 1998 that the growing balance of payment deficit was largely a result of struggling exports whilst the import bill gained momentum.

There appears to be two types of sanctions on Zimbabwe. The first could be called political sanctions. They restrict movement and freeze assets of some members of the ruling ZANU PF party, private individuals and companies accused of or complicit in human rights violations. These have been applied by Australia, New Zealand, the EU countries and the US. The second type is indirect sanctions such as the withdrawal of aid, balance of payments support and termination of lines of credit. The Zimbabwe Democracy and Economic Recovery Act of 2001 passed in the US, for example, specifically proscribes any economic support to the country. The International Finance Corporation of the World Bank suspended funding of infrastructural and private sector projects in Zimbabwe for a variety of reasons, ranging from aid misallocation, non-repayments and the deteriorating political climate. The IMF and World Bank limited their interactions to technical assistance and analytical work, focusing on macro-economic policy, food security issues, social sector expenditure, social delivery mechanisms and HIV and AIDS projects.

The deterioration of political conditions after a hotly disputed presidential and parliamentary election on 28 March 2008 has led to an intensification of the sanctions. Apart from private companies cutting off business ties (Tesco, the world’s third largest supermarket, announced soon after the election standoff that it was to stop sourcing fresh produce worth £1 million a year from Zimbabwe, and a German firm, Giesecke and Devrient, which had regularly supplied Zimbabwe with bank note paper for over 40 years, also announced it was terminating its link) the general perception that the country was imploding also led to a number of foreign missions either downgrading their missions or relocating them elsewhere in the region.

Although western countries have argued that its targeted sanctions are directed at political leaders, it is usually the vulnerable groups of society who suffer rather than the targeted group. Sanctions have constricted key economic sectors with disastrous consequences. Most of these have manifested themselves in the form of shortages of foreign currency, resulting in the country accumulating external payment arrears and failing to import critical supplies. Between 1966 and 1999 Zimbabwe registered capital account surpluses, largely in the form of project finance, budgetary aid and balance of payments support. However, by 2000 the country had started experiencing capital flight, reflecting the suspension of balance of payments support and project finance by the multilateral financial institutions and other donors. As a result, Zimbabwe’s capital account has been in persistent deficits since 2000. The current account deficits and the reduced capital inflows resulted in excessive pressure on foreign currency reserves, which as a result declined from US$830 million (3 months import cover in 1996) to less than one month of import cover by 2006 (RBZ, 2007). The shortages in foreign currency constrained the country’s capacity to meet foreign payment obligations and finance critical imports, which in turn caused a build up in foreign payments arrears from US$109 million in 1999 to US$1.5 billion by the end of 2006. This development affected the country’s creditworthiness and worsened its risk profile, as a result of which traditional sources of external finance from bilateral and multilateral sources dried up. The IMF, which had suspended technical assistance in June 2002 due to arrears of more than US$132 million, has only now resumed liaising with the country following the establishment of the IG.

Fiscal and economic governance

One of the major drivers of inflation has been fiscal mismanagement over the past 10 years. According to IMF reports, the budget deficit, including grants, stood at 10.0 percent of estimated GDP in 2006. This figure is over triple the figure of 3.0 percent of GDP achieved in 1998. In the 2008 budget announced on 29 November 2007, the forecast budget deficit was approximately 11 per cent of expected GDP of ZS16 quadrillion. According to IMF estimates, government expenditure had reached 53.5 per cent of GDP in 2006 – more than double the expected value of 24.7 percent – driven by
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un-budgeted quasi-fiscal activities (QFAs) being undertaken. To the extent that the QFAs drove rampant inflation it could be said that problems in economic governance may have made an already unstable economic environment worse. The economic governance issues point mainly to some structural inadequacies in the legislative environment, particularly the distinction of roles between the central bank and the central ministry of finance.

Political governance

Analysis of how political governance failings led to the crisis can be traced to the nature of Zimbabwe’s constitution and its inherent failure to protect citizens from state abuse of power. A failed attempt to reform this constitution in early 2000 is often seen as the main trigger of the political dimensions of the crisis. However, what is clear is that with the formation of the MDC in 1999 as a much stronger opposition capable of contesting political power, the political landscape changed significantly. In addition to a strong opposition there was also a growth in the number of and direct public actions by civil society organisations that campaigned for greater civil liberties. Faced with a deteriorating economy, a determined political opposition, growing civil society militancy and real prospects of losing political power, the state responded through acts that closed down what political space existed. Apart from constitutional amendments to absolve the state of any responsibility to pay compensation for land acquired under the Fast Track Land Reform programme, other key pieces of legislation that created the most controversy included the Public Order Security Act and the Access to Information and Protection of Privacy Act both passed in 2002. This was after restructuring of the judiciary from March 2001, which effectively created a perception of a compromised state institution. Subsequent appointment of military personnel to lead strategic state enterprises and ministries also created an impression of militarisation of state institutions. For civil society organisations the enactment of the Non-Governmental Organisations Act in 2004 was also seen as an attempt to silence them. To the extent that these political developments worsened state-society relations it can be said that the evolution of a repressive political governance culture in response to a growing economic crisis created a new angle of violence, insecurity and political paralysis to the crisis.

It is clear from this discussion that there was no single factor that led to the crisis in Zimbabwe. Rather, it resulted from the long term structural problems in the economy coupled with deterioration in political and economic governance. The following section examines the impact the crisis had on Zimbabwe’s poor.

1.5 Poverty impact of the crisis

By the time the IG took over in March 2009 key macro-economic fundamentals pointed to a deep seated crisis that had simmered since the late 1990s before accelerating to become a general pattern of decline at the turn of the millennium. This pattern of economic performance is also reflected in any analysis of the poverty trends. There is no doubting that by the time the IG took over in March 2009, a majority of Zimbabweans were poorer than they had ever been since attaining independence from Britain in 1980. Data from the three major poverty surveys (Income Consumption and Expenditure Survey of 1991 and the Poverty Assessment Study Surveys of 1995 and 2003) are not accurately comparable over time due to methodological issues, but they do suggest that by the time the crisis erupted in 2000 poverty in Zimbabwe was already on the rise, after initial impressive progress made during the 1980s. From a low of 25.8 per cent in 1991 the number of households living below the food poverty line rose to 34.9 per cent by 1995 before a dramatic rise to 63 per cent by 2003. There was a similar dramatic rise in the number of people living below the total consumption poverty line. These increased from 55 per cent in 1995 to 72 per cent in 2003. Since the Poverty Assessment Study Survey of 2003 there has not been any further official surveys on the levels of poverty in Zimbabwe, but some estimates suggest that by the time the socio-economic crisis reached its high point in November 2008 up to 80 per cent of the population survived on less than US$2 a day.

In general, available data suggest that poverty in Zimbabwe is predominantly rural. This is not surprising given that up to 70 per cent of the population still reside in rural areas. They are mostly smallholder farmers living off the land. Current estimates show that there are about 1.12 million smallholder farms occupying nearly 75 per cent of all agricultural land. Of these about 800,000 are located in communal lands while the rest subsist on land in the ‘original’ resettlement areas (182,000) and A1 Fast Track resettlement farms (141,000). A majority of the rural poor are found among these smallholder households (especially those in communal lands as well as some landless displaced former commercial farm workers).

If we consider data on the incidence of rural poverty according to agro-ecological regions it is clear that the more marginal an area is, the greater the rates of poverty (Table 1.4). As the largest number of rural residents is found in Natural Region IV (just over 2.5 million in 2002), it is clear that this is also where the largest number of rural poor is to be found.

<table>
<thead>
<tr>
<th>Natural Region</th>
<th>Poverty (%)</th>
<th>Extreme Poverty (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>62.4</td>
<td>36.2</td>
</tr>
<tr>
<td>II</td>
<td>71.6</td>
<td>41.2</td>
</tr>
<tr>
<td>III</td>
<td>77.3</td>
<td>51.4</td>
</tr>
<tr>
<td>IV</td>
<td>81.6</td>
<td>57.2</td>
</tr>
<tr>
<td>V</td>
<td>79.5</td>
<td>55.7</td>
</tr>
</tbody>
</table>


The Central Statistical Office (2003) also calculates that the highest incidence of rural poverty is to be found in Matabeleland North (88.2 per cent of households), followed by Mashonaland Central (85.2 per cent), Matabeleland South (86.6 per cent) and Masvingo (84.0 per cent). As Table 1.4 suggests, poverty follows types of farming system and consequently natural or regional agro-ecological conditions.

The National Food Early Warning Unit (NFEWU) surveys show some differentiation within the rural areas where some households were more vulnerable than others. Specifically, female headed households, grandparent headed households, child headed households and those headed by young male adults were found to be the most vulnerable (USAID, 2008). More generally, poverty was found to be worse in marginal and remote rural districts of the country than those near the line of rail. A major cause of the poverty in rural areas is low incomes from farm livelihood activities.
due to a combination of productivity challenges and poor market returns. Given that smallholder farmers now occupy 75 per cent of all agricultural land, it is clear that part of the solution to poverty will be in making farm livelihoods work for these families. Urban areas were generally found to have lower poverty rates, although increasingly the severity and depth of poverty is now much greater than in rural areas due to the collapse in the formal employment sector. With unemployment estimated at 80 per cent at the time the IG took over, it is clear that getting the formal economy working again will be the most direct way to deal with urban poverty. In the next chapters this report looks at the impact of the crisis on the various sectors, starting with labour markets.

### 1.6 Conclusion

Two main points emerge from the foregoing discussion. First, although the seizure of white owned commercial farms is often seen as the main cause of the Zimbabwe crisis, and indeed was the ultimate trigger mechanism, the crisis emerged from a combination of structural problems inherent within the key productive sectors of the economy (agriculture, manufacturing and mining). Once these structural problems began to undermine economic growth and people began to look for political alternatives, a crisis of governance emerged. It was this breakdown of governance that led to the internationalisation of the crisis, as the insecurity and violence that ensued elicited the imposition of sanctions and international isolation.

Secondly, it has been shown that poverty was already increasing by the time of the farm invasions in 2000. There is no doubting that poverty rates increased during the crisis and by all measures a majority of Zimbabweans were desperately poor by the time the IG took over. Most of the poverty in Zimbabwe today is rural and is largely a result of the underperformance of smallholder agriculture, which has led to low agricultural incomes and a lack of alternative sources to make a living. Deep pockets of poverty now exist in the major urban centres as a result of the collapse of manufacturing and lack of employment, there. By the time the IG took over most people in the urban areas made a living through the informal sector. A key implication of this is that rural poverty reduction will probably be achieved by the recovery of agriculture and increased earnings from smallholder farms. Similarly urban poverty reduction will necessarily be underpinned by the recovery of manufacturing on the back of agricultural productivity growth. The next chapter examines the issue of labour markets and employment in more detail.

### Notes

1. The level of income at which people can meet basic food and non-food needs (shelter, education, health etc).
2. A composite index measuring deprivation computed from three dimensions, namely probability of not surviving till 40, adult literacy and the unweighted mean of the number of people without sustainable access to an improved water source and children underweight for age.
4. Official figure issued by the CSO in July 2008 before formation of the IG. Estimates suggest that the figure for November of that year was much higher.
5. Source: IMF data tables, PPP.
6. Between 1980 and 2000, Zimbabwe has experienced four major droughts: 1982-3, 1986-7, 1991-2 and 1994-5. After 2000 on average every other year has been a deficit rainfall year. In some years, such as 2007/2008, the timing of the rainfall has been at issue more than the total amount of rainfall.
7. See Richardson (2007).
8. The state would only promise to pay when able to, and even then only for improvements and not for the land.
10. Especially how poverty is measured.
11. GoZ (2005). The initial rise has often been attributed to ESAP and the massive job loses experienced.
13. Mashonaland central has 74 per cent of households in NRI and II, is located fairly close to Harare and is well served by transport so it is rather contradictory for it to have such high levels of poverty. Back in 1995 the World Bank (1995) had noted that Mashonaland Central also fared badly in nutritional surveys. However, recalculation of poverty levels based on 1990 ICES data showed Mashonaland Central to have one of the lowest incidences of poverty in the country.
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CHAPTER 2: Employment and labour markets

2.1 Introduction
In this chapter we examine employment, labour markets and the implications of the crisis for social protection. The chapter highlights the structure of employment in Zimbabwe and also considers labour market dynamics and employment during the crisis. This is followed by an examination of social protection for the poor and vulnerable in Zimbabwe, highlighting developments on social protection before and during the crisis. It then considers some scenarios for post-crisis social protection.

2.2 The labour market, employment and post crisis reconstruction
One of the key pathways out of poverty is income growth. Although there are different ways of achieving this depending on individual and economic contexts, a sure way to stabilise household incomes is through employment. For Zimbabwe, this will be true more directly for urban poverty and only indirectly for rural poverty, where income growth will have to come from agriculture and other rural non-farm activities. This section examines developments in the labour market and suggests possible policy actions to revive the labour market. We focus on the labour market because of its important role as a linkage between production and consumption, its role in transmitting policy impacts into development. Further, given the high level of poverty described in Chapter 1, knowledge about the current state, structure and performance of the labour market is vital to inform future policy formulation. We have argued that the crisis started as far back as 1997 and will show how this decline affected labour markets. The structure of the economy, which determines the structure of employment, is then examined, together with the labour market and recent regulatory changes. We end by proposing what we feel are the most important policy changes needed to revitalise the labour market.

Contextual background
We argued earlier that the economy has gone through three distinct policy swings – from interventionism (1980-1990) to structural adjustment (1991-1995) to management by crisis (1997 to present). It should be noted that despite the policy swings, the foundation of the economy remained largely unchanged, and this foundation was and still is characterised by segmentation and enclavity, which is also reflected in the labour market. In discussing the labour market we shall focus on the crisis period, notwithstanding that unresolved contradictions in the economy inherited from previous regimes form the foundation of the crisis.

The labour market structure, like the mainstream economy, is segmented. Workers in the formal sector, particularly those in top positions, are able to prosper and live off their wages, while those in the non-formal economy have very low average wages and hence have to rely on other sources of income in order to survive. Furthermore, during the crisis period workers in the lower part of the formal sector were worst hit by rampant inflation, which in July 2008 reached 231 million per cent. A majority of workers around this time left formal employment to try and make a living in the non-formal economy. Available data suggest that by December 2008 only 480,000 workers remained employed in the formal sector. The formal sector is capital intensive and has low labour absorptive capacity, resulting in the non-formal sector being the principal source of employment creation. The formal sector in Zimbabwe has often been described as part of ‘grafted capitalism’ (LEDRIZ, 2004). This is a capitalist mode of production imposed on African countries by colonialism that was not meant to benefit all inhabitants of the economy equally. Thus, while there is total commodification under endogenous capitalism (the type of capitalism found in Europe), it is low and only restricted to the formal sector under grafted capitalism, thus leaving a big part of the economy operating informally. The consequence of this relationship is the absence of a virtuous relationship between the formal and non-formal sectors.

The non-formal sector provides a market and a pool of surplus labour to the formal sector. It also offers a buffer for spent formal sector labour given the absence of an effective social security system in the economy. The informal economy is found in both rural and urban areas, and can be divided into two (Ranis and Stewart, 1999): one part which is dynamic and relatively more productive, and another that is traditional and moribund.

The non-formal sector's larger part is the communal (including resettlement areas) sub-sector, which is principally subsistence in nature. The communal sector dwarfs the formal and informal economies combined both spatially and in terms of employment, but it lags behind in terms of value-added. Treatment of informal employment, found in both urban and rural areas, changed during the structural adjustment period. The informal economy was forbidden in urban areas during the colonial period, and after independence the government was ambivalent to its development (ILO/SATEP, 1985). As a result, employment therein remained at only around 10 per cent of total employment. This stance changed in the 1990s following structural adjustment, which, combined with declining real wages in the formal sector, acted as an incentive for people to join the informal economy. In addition, the high...
rate of urbanisation that saw urban population growing by 88 per cent between 1980 and 1990 (World Bank, 2008) and sluggish formal sector employment growth, forced many people to join the informal economy. Economic decline and hyperinflation from 2002 onwards forced some people to substitute informal economy employment for formal employment, contributing to growth of the former. The dynamics in non-formal sector employment described here were matched by similar changes in the formal sector. In the next section we examine the dynamics of formal and non-formal sector employment in Zimbabwe. The analysis will mainly focus on the formal sector because of data availability, its potential to create better quality jobs, and because of its capacity to be the engine for economic recovery.

Employment structure and dynamics

Figure 2.1 shows employment and GDP growth between 1980 and 2005. It illustrates that there was a high degree of co-variation between employment and GDP growth. Thus, employment, like GDP, declined during periods of covariant shocks such as drought. The extent to which both employment and GDP growth were driven by the agricultural sector has already been examined in Chapter 1. Suffice to say, decline in the agricultural sector is one of the reasons that total employment declined from 1999.

Employment growth was sluggish in the 1980s because of high employment protection (Fallon and Lucas, 1991). It is possible that the government’s patronisation of industrial relations weakened trade unions. Despite weak unions, employment protection laws shielded incumbent workers from competition from the unemployed, thereby causing unemployment to become long term (Lazear, 1990). It also discriminated against young workers, resulting in rising youth unemployment. It was only in the late 1980s that the trade union movement became stronger and critical of the government. Thereafter tensions with the state worsened, especially when unions opposed the implementation of ESAP. During the 1990s, the union became a galvanising force for all groups agitating for more democratic governance and social justice. This led to the formation of the main opposition party as a project of the unions.

The high employment protection is often seen as having prohibited employment flexibility in line with the changes in demand brought about by ESAP (Hamermesh and Pfann, 1996). This caused formal sector employers to shoulder high labour costs during downturns. While the protection might have encouraged insiders to extract a premium on wages, wage increments were gazetted by the government, thus disadvantaging both workers and employers. The latter responded by substituting work process flexibility for numerical flexibility, thereby increasing work intensity which workers opposed because they felt they were not being adequately compensated. Notwithstanding this, employment protection did have a positive effect of shielding workers from economic, social and psychological effects of losing jobs. It also helped to preserve incomes and skills, thus providing insurance to uninsurable labour market risks. From a firm perspective, workers with secure tenure are inclined to accept workplace modernisation without feeling threatened. They are also likely to put in more effort, thus reducing supervision costs.

For the crisis period of 1997-2008, employment declined significantly across all sectors due to the economic recession. There also were significant firm closures that led to considerable job losses, especially in Harare and Bulawayo. The consequence was growth in long term unemployment and significant underemployment, especially in the informal economy where skills were underutilised because of a lack of resources. In response to the crisis, many workers migrated out of the country to seek better jobs and incomes regionally and internationally. Table 2.1 shows average employment growth in the agriculture, mining, manufacturing and construction sectors.

The decline in agricultural employment from 2000 was a result of the displacement of farm workers by new landowners, most of whom were too poor to adopt the employment contracts of the existing workers. The situation got worse in 2002 because of political violence during presidential elections that year which targeted farmers and their workers. A decline in manufacturing employment was mainly caused by the shortage of foreign currency to import raw materials and machinery. Loss of employment affected major urban centres where manufacturing activities were

Figure 2.1: Employment and GDP growth, 1980-2005.

Source: Based on statistics from CSO, 2004.
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Table 2.1: Average annual employment growth (percentage), 1997-2004.

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<tbody>
<tr>
<td>Overall employment growth</td>
<td>3.9</td>
<td>1.9</td>
<td>-2.4</td>
<td>-6</td>
<td>-4.3</td>
<td>-5.8</td>
<td>-9.1</td>
<td>-1.4</td>
</tr>
<tr>
<td>Agriculture &amp; Fishing</td>
<td>2.3</td>
<td>-2.8</td>
<td>-2.1</td>
<td>-3.9</td>
<td>-10.8</td>
<td>-23.8</td>
<td>-28.5</td>
<td>-2.3</td>
</tr>
<tr>
<td>Mining and Quarrying</td>
<td>-1.2</td>
<td>3.2</td>
<td>-2.5</td>
<td>-25</td>
<td>-4.3</td>
<td>0.2</td>
<td>-2.1</td>
<td>19</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7.8</td>
<td>5.0</td>
<td>-3.3</td>
<td>-9.6</td>
<td>-1.5</td>
<td>-4</td>
<td>-17.7</td>
<td>-3.5</td>
</tr>
<tr>
<td>Construction</td>
<td>0.8</td>
<td>1.3</td>
<td>-12.5</td>
<td>-22.3</td>
<td>0</td>
<td>0</td>
<td>-37.6</td>
<td>-6.5</td>
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</table>


concentrated. Construction sector employment was the worst hit by the crisis because of a shortage of building materials and mortgage finance, and because the government stopped financing new construction projects. The decline of employment in low-skill sectors like agriculture and construction caused unemployment to rise among unskilled workers. To drive the points raised here further, we examine the dynamics of employment structure over time.

Structure of employment

Changes in employment can be explored further by analysing sectoral employment contributions as shown in Table 2.2. It shows that in 1980, agriculture was the biggest employer, followed by manufacturing and private domestics. During that period, the private sector was quite competitive and had a significant presence on the export market. The composition of employment changed over time. The proportion of agricultural workers declined to 24.3 per cent in 1990. Long-term employment in the sector declined between 1980 and 1990 as it was substituted with casual labour on large-scale commercial farms, particularly among women (Adams, 1991). The contribution of agricultural employment increased to 26.9 per cent of total in 1995, an indication of the positive employment response to structural adjustment. The sector had a competitive advantage in horticulture, tobacco and cotton production that saw the country achieving remarkable presence on the world market. Agriculture remained the largest employer and earner of foreign currency until 2000. Thereafter, its contribution to employment declined persistently, reaching almost half its 2000 contribution in 2005. The decline is a clear manifestation of the adverse employment effects of farm invasions and the government’s chaotic land redistribution.

The proportion of manufacturing employment changed marginally during the 1980s and 1990s. There was a slight decline in manufacturing employment during the structural adjustment period because of firm restructuring and high competition on the domestic market which forced some firms to reduce capacity utilisation or to close down. Manufacturing employment continued to decline through to 2005 because of foreign currency shortages and government price controls. Overall, employment in the tradable sectors (agriculture, mining and manufacturing) declined from 1995 onwards, while non-tradable sectors (all other sectors in the table above) employment increased, buoyed by education and distribution sectors. This was in part because of foreign currency shortages, high inflation, exchange rate over-valuation and reduced export competitiveness. As controls increased from 2000 onwards there was also a massive outflow of foreign capital, thus reducing the level of investment in the economy. In addition, the level of gross national savings persistently declined over the crisis period.

In the social sectors, health and education experienced growth in their contribution to total employment, with the most spectacular growth coming from education. There was massive expansion and enrolment in education in the first decade, and it remained

Table 2.2: Percentage sectoral formal employment, 1980-2005.

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<tr>
<td>Agriculture</td>
<td>32.4</td>
<td>26.3</td>
<td>24.3</td>
<td>26.9</td>
<td>26.3</td>
<td>19.8</td>
<td>15.6</td>
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<td>14.2</td>
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<td>Mining and quarrying</td>
<td>6.6</td>
<td>5.2</td>
<td>4.3</td>
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<td>3.9</td>
<td>4.2</td>
<td>5.0</td>
<td>5.4</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>15.8</td>
<td>16.1</td>
<td>16.5</td>
<td>15</td>
<td>14.7</td>
<td>15.4</td>
<td>13.9</td>
<td>13.6</td>
<td>12.5</td>
</tr>
<tr>
<td>Electricity and water</td>
<td>0.7</td>
<td>0.7</td>
<td>0.7</td>
<td>0.8</td>
<td>0.9</td>
<td>0.9</td>
<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Construction</td>
<td>4.2</td>
<td>4.3</td>
<td>6.4</td>
<td>5.8</td>
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<td>3.8</td>
<td>2.6</td>
<td>2.5</td>
<td>2.3</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>1.2</td>
<td>1.5</td>
<td>1.5</td>
<td>1.7</td>
<td>2.8</td>
<td>2.5</td>
<td>3.8</td>
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<tr>
<td>Distribution and restaurants</td>
<td>7</td>
<td>7.4</td>
<td>8.1</td>
<td>8.1</td>
<td>8.4</td>
<td>9.4</td>
<td>11.5</td>
<td>11.4</td>
<td>10.4</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>4.5</td>
<td>4.8</td>
<td>4.5</td>
<td>4.1</td>
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<td>Private domestics</td>
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<td>9.4</td>
<td>9.4</td>
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<td>8.9</td>
</tr>
</tbody>
</table>

Source: Calculated From Quarterly Digest of Statistics and National Accounts, CSO, 2003; IMF Country Report No. 05/359
comparatively high through to 2000 but declined thereafter due to the collapse of the education sector (see Chapter 6).

Dividing employment between private and public sectors shows that private formal sector employment declined from the reform period onwards for the reasons cited above, including declining domestic demand and low technology adoption. In the public sector, employment was used to accommodate ex-combatants and ruling party supporters. Although public sector employment declined marginally during the reform period, it increased by 21 per cent between 1995 and 2005. This growth was both a result of politics of accommodation and of changing employment dynamics that resulted in the public sector remaining the only stable form of employment in the face of economic recession. However, as the crisis deepened some people left formal employment, mainly because of low pay, to migrate or to forage in the informal economy.

Employment in the informal economy grew consistently over time. Despite the lack of time series data we know that informal employment accounted for 10 per cent of the labour force in 1985 (ILO/SATEP, 1985). By 1998, 62 per cent of the labour force was in informal employment, and by 1999, it was twice the size of formal employment. It is believed to have grown further during the crisis period despite the government’s 2005 clean-up exercise that destroyed informal economy clusters, especially in urban areas.

While the discussion above has focused on changes in numbers of employment, it is important to look at changes in the laws of employment as well. This is so because we know employment law affects the level and composition of employment (Fallon and Lucas, 1991), and that it affects the attractiveness of the economy as an investment destination. Furthermore, any attempts to revitalise the labour market when stability is finally achieved requires that employment law be supportive of the new economic regime. The following section explores changes to the employment legal framework.

### The employment legal framework and wage formation

The employment legal framework, just like the economic policy framework, also experienced changes between 1980 and 2008. We will not go into the details of the changes introduced in the 1980s and 1990s, except to the extent to which they are linked with current regulations. Anyone interested in these changes should consult work by Sachikonye (1987), Kanyenze (1993), and Madhuku (2001), among others. Suffice to mention that regulations in the 1980s institutionalised employment security which created inflexibility in the labour market. This was followed by labour market liberalisation (from 1991) which introduced flexibility that allowed firms to adjust their levels of employment in line with changes in demand (Bjurek and Dureval, 2000; Velenchik, 1997).

Liberalisation also introduced collective bargaining as the medium for setting wages. Wage bargaining was maintained during the crisis period, but the government retained power to review the wage agreements, including power to set a minimum wage (as it did in 2001). Despite collective bargaining and the occasional introduction of national minimum wages, real wages declined significantly during the crisis period, as shown in Table 2.3.

Table 2.3 shows that in real terms, collective bargaining was not a perfect medium for income distribution given that in twelve years from 1990 to 2002, workers lost nearly a quarter of the real value of their earnings, notwithstanding the reduction in collective job action incidences. The only sector that performed reasonably well was the electricity and water sector, but only up to 2002. While the wage outcomes in part reflect the power that employers wielded in the bargaining process, they, in large part, reflect the impact of economic recession which reduced firms’ profitability. Furthermore, there were rising wage differentials between and within sectors (PWHC, 2000), with skilled and managerial workers increasingly earning more than other workers. There were also growing inter-sectoral wage differentials as illustrated in Table 2.4.

Table 2.4 shows that the manufacturing sector wage was on average 5.6 times higher than the agricultural wage in 1997. By 2002, it was 6.2 times higher. The mining-agriculture wage differentials reached a maximum factor of 7.2 in 2002. Assuming

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### Table 2.3: Real consumption wage index, 1990-2003.

<table>
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<tr>
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<td>65.2</td>
<td>64.5</td>
<td>73.5</td>
<td>57.2</td>
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<td>79</td>
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<td>66.1</td>
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<td>346.7</td>
<td>233.3</td>
<td>172.6</td>
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<td>Construction</td>
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<td>86</td>
<td>66.9</td>
<td>70.9</td>
<td>89.7</td>
<td>66.4</td>
<td>38.9</td>
<td>-</td>
</tr>
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<td>Finance and Insurance</td>
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<td>100.9</td>
<td>103.3</td>
<td>110.4</td>
<td>149.7</td>
<td>171.4</td>
<td>119.7</td>
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<td>Distribution</td>
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<td>75.1</td>
<td>71.7</td>
<td>94.2</td>
<td>78.5</td>
<td>73.3</td>
<td>22.8</td>
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<tr>
<td>Transport and Communication</td>
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<td>72.6</td>
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<td>67.9</td>
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<td>46.9</td>
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<td>80.1</td>
<td>104.8</td>
<td>74.5</td>
<td>29.3</td>
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<tr>
<td>Education</td>
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<td>79.7</td>
<td>61.9</td>
<td>88.8</td>
<td>124.5</td>
<td>146.5</td>
<td>112.9</td>
<td>38.2</td>
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<tr>
<td>Health</td>
<td>100</td>
<td>77.9</td>
<td>64.2</td>
<td>78.4</td>
<td>124.3</td>
<td>169.3</td>
<td>141.6</td>
<td>42.7</td>
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<tr>
<td>Domestic services</td>
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<td>37.9</td>
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<td>16.3</td>
<td>6.6</td>
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<td>0.3</td>
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<td>Other</td>
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<td>92.3</td>
<td>84.4</td>
<td>90.6</td>
<td>116.6</td>
<td>119.1</td>
<td>101.9</td>
<td>32.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>78.7</strong></td>
<td><strong>69.2</strong></td>
<td><strong>75.4</strong></td>
<td><strong>97.6</strong></td>
<td><strong>94.2</strong></td>
<td><strong>76.6</strong></td>
<td><strong>24.9</strong></td>
</tr>
</tbody>
</table>

Source: own calculations from CSO Quarterly Digest of Statistics 2003.
that agriculture represents the rural sector and manufacturing the urban sector, it is clear from the table that rural wages lagged behind urban wages. Based on the textiles sector and 2005 household survey datasets, urban workers on average earned US$1,923 annually, which was 73 times more than the rural annual average labour income (US$26.23) (Chiripanhura, 2008). These differentials arise from the fact that rural wages are very low, and that while urban workers predominantly rely on labour income for sustenance, the proportion of labour income in rural household incomes is small. The table also shows that the domestic sector experienced accelerating wage decline relative to other sectors.

Since independence wage differentials between the private and public sectors have increased. In the 1980s, wage differentials were compressed because the government wanted, among other things, to discourage the substitution of private sector for public sector employment. After the introduction of economic reforms, wage setting in the private sector became based on collective bargaining. In the public sector, the government’s austerity measures resulted in stunted wage growth relative to the private formal sector. In consequence, wage differentials increased. The government responded by awarding hefty increments of over 150 per cent from 2000. It was going to take several years of such hefty increments for public sector wages to come to par with private formal sector ones. While lower level government employees earned more than their private formal sector colleagues, top government workers earned far less than their private formal sector counterparts.

From the discussion above, low-skill sectors of agriculture, construction and domestic services were the worst losers through to 2008. By 2005, most of the sectors’ earnings were well below the poverty datum line (which stood at Z$1,747,226 as at July that year), signalling increasing impoverishment that was evident in both urban and rural areas. The decline in urban real incomes reduced the flow of transfers into the rural economy, thus reducing the use of productivity-enhancing inputs and consumption of manufactured goods. The outcomes included declining living standards, failure to access health services, and reduced labour productivity. In the urban sector, the bulk of people in formal employment in 2008 were minimum wage earners striving hard to make ends meet because of hyperinflation. In consequence, the frequency of collective bargaining increased across all sectors to an average of four times a year. By the first half of 2008, some firms were already running two payrolls in one month. Yet this did not reduce inter- and intra-sector wage inequality because firms offered efficiency wages to their critical staff to discourage them from leaving. This was particularly so in the mining, manufacturing and health services sectors. A study into textile and clothing sector operations in 2005 (Chiripanhura, 2008) found that most companies had resorted to offering free or subsidised midday meals to their workers, both to maintain productivity and as a non-wage benefit. Others offered free transport to and from work.

Changes introduced during the crisis period reached a peak when the harmonised Labour Act was passed in 2002, still leaving the non-formal sector uncovered. In the formal sector, the far-reaching outcomes of the reforms included the introduction of retrenchment regulations, which were enhanced by the 2002 Act; the abolition of the ‘one industry – one union’ principle (despite its potential to complicate the collective bargaining process (Madhuku, 2001)); the creation of the Labour Court to replace the Labour Tribunal which had been created in the 1990s to deal with the backlog of industrial relations cases; and the prohibition of employment discrimination on the basis of one’s HIV status (through Statutory Instrument 202 of 1998). The new Act also updated and consolidated various pieces of employment regulations that existed, and for the first time, civil servants were governed under the same law as workers in the private formal sector, although disciplinary issues remained the preserve of the Public Service Commission. This was, however, reversed by Amendment 7 of 2005 which took public sector industrial relations back to the Public Service which does not recognise collective bargaining rights for the workers, hence its decisions are largely unilateral. Despite the existence of various associations in the public sector, they do not have union rights, and their contributions to wage negotiations through the Joint Negotiating Forum are merely advisory.

Some of the provisions of the Labour Act severely limit trade union activities, including possible deregistration and/or suspension from conducting their work. Yet there are also some positives from it: the new regulations removed the power to issue disposal orders (in the event of collective job action) from the Minister to the newly created Labour Court. This allowed for non-partisan handling of industrial actions. The Labour Court also acted as the final court of appeal for all employment cases, thus removing the High Court from industrial relations matters. It was empowered, like the High Court, to review its decisions. Appeals against the Labour Court’s decisions on matters of law could be taken to the Supreme Court. In employment, the probation period length was limited to no more than one week for casual or seasonal work and no more than three months in all other cases, and that the period was to be one block not subject to extension. The new Act also introduced and defined the concept of constructive dismissal, and notice pay was increased from one month to three months. On retrenchment, the Act improved on existing regulations by allowing for easier retrenchment of less than five employees without referring to an authority. The new Act also extended sick leave from an initial one month on full pay to three months. It allowed a further three months of sick leave on half pay. Given the impact of the HIV/AIDS pandemic, this provision shielded workers from immediate

### Table 2.4: Sectoral wage differentials, 1997-2002.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing/agriculture</td>
<td>5.60</td>
<td>5.15</td>
<td>5.17</td>
<td>5.65</td>
<td>3.42</td>
<td>6.23</td>
</tr>
<tr>
<td>Mining/agriculture</td>
<td>5.32</td>
<td>5.62</td>
<td>5.62</td>
<td>5.51</td>
<td>3.36</td>
<td>7.19</td>
</tr>
<tr>
<td>Manufacturing/domestic</td>
<td>18.95</td>
<td>23.76</td>
<td>34.08</td>
<td>53.16</td>
<td>90.05</td>
<td>181.3</td>
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<tr>
<td>Mining/domestic</td>
<td>18.01</td>
<td>25.94</td>
<td>37.07</td>
<td>51.80</td>
<td>88.46</td>
<td>209.20</td>
</tr>
<tr>
<td>Agriculture/domestic</td>
<td>3.39</td>
<td>4.62</td>
<td>6.60</td>
<td>9.41</td>
<td>26.33</td>
<td>29.08</td>
</tr>
</tbody>
</table>

Source: own calculations from CSO Quarterly Digest of Statistics 2003.
loss of income when struck by the disease. On maternity leave, the new Act increased it from 75 per cent to 100 per cent of monthly salary without loss of benefits.

The changes highlighted above have had a significant influence on the functioning of the labour market and will continue to do so when stability is finally established. The next sections examines the potential outcomes in the labour market after stabilisation by analysing the demographic structural dynamics experienced since the onset of the crisis.

Demographic and labour force structural dynamics

The country’s population at independence was 7.3 million people. It reached 10.4 million in 1992 (CSO, 2004) and 13.2 million by 2006 (World Bank, 2008). While in 1980 97.5 per cent of the population was African (World Bank, 1987), the percentage grew even further by 2006 because many Europeans emigrated during the crisis. The 2004 labour force survey reported a reduced total population of 10.8 million that year, mainly because of emigration and the high death rate (CSO, 2006). The population structure in 2004 is illustrated in Figure 2.2 below. It indicates that there is a dominance of young persons, and this has been a familiar characteristic since independence. This indicates a high dependency ratio problem which has adverse effects on income distribution and living standards. The broad bottom of the graph may be indicative of a relatively high birth rate, the impact of high AIDS-related death rates, and the high volume of migration (see Figure 2.3 below). With respect to the latter, it must be borne in mind that although official migration statistics are low, there has been significant unrecorded migration to neighbouring countries and to the UK (IOM, 2005; Chetsanga and Muchenje, 2003), more so after the 2008 elections and their aftermath.

Figure 2.3 shows that in 2004, 40 per cent of the population was below 15 years of age. This was slightly lower than the 1992 percentage of 47 per cent (CSO, 2004). The high proportion of young persons demands that the economy provides certain services like adequate education and training and health facilities which, since the onset of the crisis, the government has not been able to provide adequately.

Population growth averaged 3.8 per cent between 1975 and 1984, and this was higher than the SSA average of 3 per cent (World Bank, 2008). While the regional average growth rate declined to 2.8 per cent between 1985 and 1994, Zimbabwe’s declined to 3.1 per cent (World Bank, 2008). However, over the period 1995 to 2006, the country’s population growth averaged 1.1 per cent compared to the region’s 2.5 per cent (World Bank, 2008). Several factors explain these changes, including the wide availability and accessibility of family planning information and methods, the high level of literacy, and the adverse impact of the HIV/AIDS pandemic. The slow growth may also be due to emigration during the crisis period.

The labour force in 1982 consisted of 3.97 million people. Of this, 26 per cent was employed in the formal sector. The labour force increased to 4.96 million in 1999, and of this 37 per cent was in paid employment (CSO, 2004). The remainder constituted persons either unemployed or in the informal economy. In 2004 the labour force consisted of 5.6 million people, with a participation rate of 87 per cent, having increased from 64 per cent in 1982 to 71 per cent in 1999 (CSO, 2004). The rising rate of economic activity during the crisis period may be an indication of the instability in the labour market rather than rising efficiency. Falling real incomes and transfers could have been behind the surge in economic activity among household members as they attempt to shore up incomes.

Occupational and skills dynamics

Comparing the occupational surveys of 1986 and 1999 reveals interesting statistics. In 1986, 6 per cent of those employed were professionals, 15 per cent were skilled, 28 per cent semi-skilled, 50 per cent unskilled, and 2 per cent staff-in-training (CSO, 2000; 2004). By 1999, the proportion of professionals had increased to 12.4 per cent. The skilled workers constituted 9.5 per cent of the employed, while the semi-skilled and unskilled constituted 10.6 per cent and 61.5 per cent respectively. By 2004, the proportion of professionals had declined to 5 per cent, that of skilled workers to 8.3 per cent, and that of semi-skilled to 7.5 per cent (CSO, 2006). Only the proportion of unskilled workers increased (78.7 per cent). The declines were mainly due to emigration and HIV/AIDS-related deaths. The non-formal labour market was dominated by unskilled labour in the 1980s, but there was reasonable growth in skill level in the informal economy in the 1990s and more so after 2000 because of retrenchments and resignations from the formal sector. From 2004, people left formal employment voluntarily, especially in the public sector, because earnings therein were lower than those in the informal economy. The occupations data do not allow examination of skills distribution by race because of data aggregation. Suffice to state that nearly 100% of non-formal economy participants were blacks.

A comparison of the 1999 and 2004 figures is revealing in terms of the toll of the economic crisis on the labour market. The number of professionals declined by 65 per cent, that of skilled workers by 13 per cent, and that of semi-skilled workers by 29 per cent. Most of these people emigrated to escape the crisis. The decline in numbers of professional and skilled workers is cause for concern given the importance of skilled labour in economic growth and development, notwithstanding the dictates of globalisation that economic growth is becoming more skills-driven than low-cost labour-driven. The growth in unskilled labour is detrimental to economic initiatives seeking industrial growth,
global competitiveness and improved living standards. In fact, Chiripanhura (2008), after conducting a labour market survey in the textiles sector in 2005, reported that the majority of employers lamented that productivity in their enterprises was held back by the lack of skilled workers, the majority of who had emigrated to South Africa.

Figure 2.3 shows that emigration started increasing from 1996, exceeding immigration from 1998 onwards. The official figures used above are believed to underestimate the actual extent of net emigration due to poor data collection at entry and exit points. Furthermore, the figures do not capture people who leave for neighbouring countries through illegal exit/entry points dotted around the country, especially in 2007 and 2008 when economic decline increased. Nonetheless, it is estimated that over three million people, among them professionals like teachers, nurses and doctors, are living abroad (IOM, 2005; Bloch, 2006). One of the main push factors for migration has been political violence before and after elections, the worst of which was experienced in June 2008. Although the majority of emigrants went to South Africa, growing numbers are going to Mozambique and Zambia, which are poorer but stable economies.

Despite the lack of official statistics for the period beyond 2002, it is apparent that migration increased during that period. On the basis of Statistics SA data, Makina (2007) extrapolated migration statistics to South Africa that are represented in Figure 2.4.

The figure shows significant migration to that country as the economic crisis deepened. The migrants’ skill base covered the whole spectrum, but there was a relatively large presence of unskilled and semi-skilled labour.

There are several reasons explaining the growth of unskilled labour noted above. One is the introduction of cost recovery measures in education and training since the introduction of economic reforms in 1991, which reduced both state and personal investment in education. Other factors include the decline in the economy, rising poverty, the shortage of training staff in vocational education and training institutions. In addition, unskilled labour is not tradable and as such has no demand internationally. Where such labour has emigrated to regional economies, it has been accused of under-cutting local wage rates.

Notwithstanding the above, one tragedy of the crisis was making access to education costly. From 2004 school fees, especially at boarding schools, increased tremendously. In consequence, some parents pulled their children out of such schools and placed them in less expensive but poorly equipped schools, while others pulled their children out of education altogether. Further, there was low morale among teachers, who were not only striving to survive but were also bearing the brunt of political persecution, especially in the run-up to each major election. The violence that followed the elections in 2008 doomed the education system as teachers left schools in large numbers either to flee from persecution or because their salaries were not adequate to provide a decent standard of living. Most schools had closed by the second half of 2008. Thus, the main impact of the crisis on education has been to increase the level of illiteracy among the youth, and the adverse impact of this development will be felt in ten to fifteen years from now, thus compromising the long term recovery and growth of the economy.

From another angle, the growth in unskilled labour indicates a possible comparative advantage for the economy in producing commodities that are labour intensive and require little skill. Sectors with the potential to employ large numbers of unskilled labour are hotel and tourism, construction, and agriculture. Yet the government’s failure to recognise this advantage became a missed opportunity. In addition, although the communal sector may be expected to benefit from the abundant existence of unskilled labour, the risk associated with rain-fed agriculture in addition to costly farming inputs reduced labour absorptive capacity.

The structural growth in the labour force, together with high participation rates in the face of economic recession, resulted in unemployment growth. The nature, dynamics, and controversies of unemployment are examined below.

![Figure 2.3: Migration of economically active persons, 1990-2002.](image-url)
The problem of unemployment

Unemployment has been a problem in the economy since independence. The rate reported for the 1980s is 11.6 per cent. It increased during the structural adjustment period to reach a peak of 21.8 per cent in 1992 before decreasing to 6 per cent in 1999 (CSO, 2004). The 1992 peak was partly a result of the drought that year. According to the 1999 labour force survey, unemployment in Harare and Bulawayo was 13 per cent and 14 per cent, and the average for other provinces ranged between 1 and 3 per cent, including communal farmers. Harare and Bulawayo are industrial satellites that attract labour from the rest of the country, and company closures due to economic crisis contributed to the concentration of unemployment.

According to the most recent labour force survey, the unemployment rate for 2004 was 9 per cent (CSO, 2006a). Considering that economic reforms failed to stimulate significant employment growth, and that recession started from 1998, including that youth unemployment increased in the 1990s (Kanyenze, 1997), it is apparent that the 2004 unemployment statistic was a gross underestimation of the problem. Actually, the figure shows that there is something fundamentally wrong with the way unemployment is measured. The data collection process seems to be missing critical issues about unemployment and hence is disguising the problem. For this reason, unemployment figures in Zimbabwe are contestable, as shown by the summary of the sources and statistics in Table 2.5.

The table shows that unemployment increased between 1986 and 1993. Thereafter different sources reported different rates. Under such circumstances, it may appear reasonable to give more credence to CSO figures as Potts (2000) stated, because it is the national institution mandated with data collection and compilation. However, as discussed below, use of the strict definition of unemployment biases the statistics downwards thereby grossly underestimating it. It is incredible that after economic contraction of over 40 per cent in successive years from 1998, the CSO published an unemployment rate of 9 per cent for 2004 (CSO, 2006a). This casts doubt over the reliability and hence usefulness of its previous statistics. However, it should be noted that there is no question about the accuracy of formal employment figures that are collected using an appropriate methodology. Notwithstanding this, one can conjecture that on the basis of employment dynamics examined above, unemployment increased in 1992, 1995 and from 1998 onwards at the very least.

Generally unemployment statistics for developing countries are unreliable. In some countries, the statistics are scarce because of the high cost of collection. In others, the statistics are unreliable because they are ‘massaged’ to present a good image in order to protect politicians against a possible political backlash. Both these conditions hold for Zimbabwe, especially from 2000. The controversies surrounding the statistics make their reliability

<table>
<thead>
<tr>
<th>Year</th>
<th>Source</th>
<th>Unemployment estimates</th>
<th>Definition used and reference period</th>
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<td>1986</td>
<td>Central Statistical Office</td>
<td>11.6%</td>
<td>Strict, 7 days</td>
</tr>
<tr>
<td>1990</td>
<td>Ministry of Public Service, Labour and Social Welfare</td>
<td>37.2%</td>
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<tr>
<td>1993</td>
<td>Rakodi (1994)</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>Ministry of Public Service, Labour and Social Welfare</td>
<td>44%</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>Central Statistical Office (1994)</td>
<td>7.9% national; 2.4% rural; 15.9% urban</td>
<td>Strict, 7 days</td>
</tr>
<tr>
<td>1996</td>
<td>Economic Intelligence Unit (1996)</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>US Department of State</td>
<td>&gt;45%</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>Ministry of Public Service, Labour and Social Welfare annual report</td>
<td>22.4% in 1994 including unpaid family workers</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>Kanyenze (1997)</td>
<td>35-50% total, of which 62% were youths</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Central Statistical Office (2000)</td>
<td>6% national; 1.4% rural; 15.5% urban</td>
<td>Strict, 7 days</td>
</tr>
<tr>
<td>2004</td>
<td>Central Statistical Office (2006)</td>
<td>9% national</td>
<td>Strict, 7 days</td>
</tr>
<tr>
<td>2005</td>
<td>US Department of State</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>Kanyenze (2006)</td>
<td>Over 70%</td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>Bird and Prowse (2008)</td>
<td>Over 80%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Potts (2000) and modified using Indicator Monitoring – Labour Force Surveys for 1999 and 2004 and other sources.
doubtful. An example of such a controversy arose in 1999 when the Ministry of Labour estimated unemployment at 45 per cent while the CSO’s labour force survey reported unemployment of 6 per cent. At one point the Ministry of Finance also quoted unemployment figures well above the ones published by the CSO. This indicated that there was doubt even within government circles about the relevance of unemployment figures in relation to prevailing conditions.

What really makes unemployment figures contestable is the definition used, which may result in counter-intuitive figures, as evidenced by the official statistics record of falling unemployment during economic recession. A closer look reveals that whatever statistics are published are dependent on the definition used. The CSO mainly uses the strict definition of unemployment which classifies a person as unemployed if he/she is aged 15 years or older and during the reference period was without work, was available for work, and was actively seeking employment. This definition has two problematic issues: first, what constitutes work? Is it any economic activity that an individual engages in, or any form of paid activity? Using productive economic activity to define unemployment can be problematic because often people engage in many types of activities, some of them survivalist in nature, but would still prefer to be employed. Thus, using the strict definition, very few people will be officially regarded as unemployed. This is supported by Serneels (2004) and Krishnan et al (1998)’s assertion that unemployment in Africa may be restricted to wealthier households whose members can afford to stay away from any economic activity while looking for suitable employment.

The important questions arising from this discussion are: how useful for policy are (African) unemployment statistics, even the ones based on a broader definition? When we look at the measurement of unemployment, some categories into which respondents are classified (own account worker and unpaid family worker) pose a serious problem in calculating unemployment statistics since they are likely to hide people who may otherwise be unemployed. Further, the condition that the respondent must have been seeking employment during the reference period can also be problematic, especially since job search is not necessarily a continuous process. This is particularly so in the rural sector where infrastructure is poor, production seasonal, and the dominant type of employment casual. In consequence, some unemployed persons may be wrongly classified as discouraged workers, especially if the reference period is short.

For policy purposes, it may be useful to collect statistics of discouraged workers, but unfortunately these are not available. Distinguishing between unemployed and discouraged workers, short-term and long-term unemployed, and the level of unemployment using the strict and broad definitions over varying reference periods is a crucial approach that can generate appropriate data to shed more light into the state of the labour market. Suitable concepts that can indicate the hardships faced in the labour market are underemployment and whether or not existing jobs can be called decent work. As reported by the UN Economic Commission for Africa (UNECA) (2005), there are many people disguised as employed in the informal economy who are in fact under-employed, and are striving to make ends meet. Underemployment and decent work are complicated to measure. Decent work implies safe work in a healthy environment with guaranteed income and employment security, a concept very important for the improvement of conditions in the informal economy. Underemployment is defined as the proportion of employees working part-time – that is, those working for hours less than a given limit, usually less than 20 hours.
per week. Official statistics record underemployment in formal employment only, and it is reported to have increased from 11 per cent of total employment in 1990 to 15 per cent in 2000. It is anticipated to have increased during the recession, though the statistics are under-estimations since they exclude the informal economy. We contend that underemployment should also capture people engaged in activities that fail to fully utilise their skills. This includes skilled people who, for various reasons, cannot fully utilise their skills especially in the informal economy.

Underemployment related to the misallocation and/or ineffective use of skills has grown significantly over the past few years as professionals left formal employment to join the informal economy. This has not been measured, but can clearly illustrate the degree of waste in the economy. Thus, in order to capture underemployment in the informal economy, the definition above needs to be expanded to include ‘skilled workers working too hard to produce very little from informal activities’. If the informal economy is included, underemployment measured in terms of hours worked, generates biased statistics because the problem in the informal economy is due to underutilisation of skills and use of inappropriate equipment (low productivity), not shortage of time. Thus, the definition can be varied to cover people whose productivity falls significantly below the industry average. The definition needs to reflect prevailing conditions in the country rather than be a ‘straight jacket’ tailored for the sake of comparability.

Given the above, we can argue that while the CSO figures and underlying definitions are statistically correct, they are irrelevant to the local situation for various reasons. Firstly, the situation on the ground shows massive open unemployment, which many observers and commentators estimate at over 70 per cent (Kanyenze, 2006; US Department of State, 2005). Secondly, the strict definition of unemployment is too strict to be relevant in the African context where there is massive underemployment, multiple activity, and subsistence production. Since people have to engage in different types of activities for survival, counting such persons as employed irrespective of how intermittent the activities may be results in statistics that are not useful for policy. Apart from the controversies surrounding the statistics, it is apparent that unemployment has generally been high, posing a serious challenge to the economy. In fact, the decrease in unemployment shown by official statistics is accompanied by an increase in poverty, indicating that unemployment is an inadequate indicator of labour market problems in the economy.

Examining the inverse relationship between poverty and unemployment in the economy actually gives a better understanding of the hardships faced by many households (UNECA, 2005). The existence of unemployment is a revelation of labour market allocative inefficiency. More importantly, its composition is cause for serious concern. It is characterised by a disproportionate representation of the youth (ILO, 2006). UNECA (2005) stated that SSA’s youth unemployment averaged 21 per cent in 2003. The extent of the problem in Zimbabwe was confirmed by Kanyenze (1997) who stated that the youth constituted 62 per cent of the unemployed. By 1999, the proportion had increased to 73 per cent (CSO, 2000). In 2004, 42 per cent of the urban unemployed were youths. These high youth unemployment statistics indicate that there are fundamental labour market problems hindering smooth school-to-work transition.

The principal causes of high unemployment include low economic growth, labour force growth, rural-urban migration, and a small private sector incapable of creating enough jobs and apprenticeship opportunities. In addition, the youth lack skills owing to an education system that has, for years, been failing to equip them with relevant practical skills for self-employment or for employment (UNECA, 2005). The situation is made worse by the lack of adequate paid attachment opportunities in the economy. Although one may argue that the youths could seek unpaid attachments to gain experience, most of them are too poor to engage in unpaid attachments, most of which are available in urban areas where the cost of living is high. The main effects of unemployment have been emigration (regionally and internationally), increase in remittance income, and increase in poverty.

Notwithstanding the issues discussed above, the question is: when stability is finally restored, what should be done to revitalise the labour market? This is a tricky and yet very important question: important because it encourages us to start debating now about policies necessary to revive the labour market given that employment can be used as an instrument to fight poverty; and tricky because whatever we say may turn out to be just speculative because there is no certainty as to when the crisis will end. It will be advantageous if the end comes soon, but it will be a tragedy if the crisis persists for another year. Here we take a proactive and optimistic alternative and develop policy options necessary for labour market development in the event of stability being restored. The discussion below is premised on the fact that labour is an important resource at the disposal of households. It is important for income distribution, and acts as a linkage between production and consumption, thus meriting our attention. Moreover, whatever labour market policy changes we suggest here should be part of an economic stabilisation and growth strategy because some of the proposals require changes in other sectors of the economy for them to be successful.

2.3 Policy options necessary for labour market stability

This section presents a package of labour market reform policy options that the government of Zimbabwe may need to take into consideration if it is going to address the labour market challenges discussed above. The IG can choose one of two approaches. It can choose a passive approach that allows the markets to shape the nature and form of employment and employment practices, or it can decide to adopt an active labour market policy. A passive approach is not a real option given the nature of the decline in employment over the past decade. The state will need to adopt active rather than passive labour market policies in order to deal with the challenges posed by unemployment and underemployment. The policy options we suggest include the rehabilitation of the national statistics collection system, the need for a complete overhaul of the education and training system, the need for effective manpower planning, the need for small and medium-scale enterprises support, skills training and upgrading, and the implementation of an appropriate incomes policy. Some of the policies need to be implemented sequentially, with issues like incomes policy necessary at a later stage when a positive growth path has been attained.

Rehabilitation of the national statistics system

From 2002 onwards most public sector institutions suffered capacity challenges that undermined their effectiveness. This was particularly true of such specialised quasi-state bodies as the Central Statistical
Reducing poverty and promoting growth

Office that suffered gross under-financing and massive loss of qualified staff. This diminished its effectiveness and, following problems with the 2002 census, it developed credibility problems. Although now a quasi-state body, rehabilitating the system of national statistics should be a major priority as any planning for reconstruction and development will depend on the existence of accurate and reliable information. Although initially donor support may be required to get the CSO working, in the long-term the state should guarantee its viability given its importance.

Focus of skills training and upgrading

The problem of youth unemployment mainly originates from the shortcomings of the education system that produces academically qualified but unemployable youths because they lack the skills required in industry, coupled with the decline in the economy. In fact, the system is topsy-turvy, being supply- rather than demand-driven. The result has been a glut of academically qualified individuals competing for very few jobs. Furthermore, while academic achievement makes one trainable, there have been declining opportunities for skills training in the economy. The centralisation of apprenticeship recruitment by the government and the reluctance of employers to take on apprentices resulted in declining training opportunities. Even where individuals have funded their skills acquisition through attending vocational colleges, most of them have ended up as semi-skilled workers because they do not go through the national skills grading and certification system.

Given this scenario, a two-pronged approach to dealing with the skills requirements of the economy is proposed. First, the apprenticeship training system should be restructured so that firms have more input into the system. In particular, the administration of the Zimbabwe Manpower Development Fund needs to be more transparent: at present, employers do not know where and how the fund they contribute to is managed. This can be achieved by amending the Governing Act to allow private sector participation in the fund's management. Firms should also be given incentives to encourage them to take on more apprentices. Second, vocational college graduates who swell the ranks of the semi-skilled need to be encouraged to go through trade testing so that their skill levels can be graded. One way to encourage them to be tested is for industry to offer a earnings premium on skilled labour. The unskilled should also be encouraged to go through vocational training so that they improve their skills.

As economic meltdown took its toll, there was increasing pressure on the existing vocational training institutions. However, the fee requirements increasingly became unaffordable, making the institutions inaccessible. Given the existing credit market failure, it is important that the government sets up a loan and grant scheme to assist the needy so that they can borrow and finance their education. A similar system should be put in place for the benefit of technical college and university education. This point is demonstrated by the fact that while entry into university was quite competitive before the crisis it has become less so, with entry determined by one's ability to pay university fees and to accommodate oneself in towns where most of the institutions are located. This implies that there is selectivity in access to higher education that disadvantages poor people. There is need for the government to reverse this trend by creating opportunities for poor people in education and training. This is particularly important given that education can be used as a ladder out of poverty.

All education and training discussed above should be subject to a national manpower policy that examines the skills requirements of the economy and avails the information to potential trainees. Such a policy, with input from industry, should monitor the stock of skills and advise colleges and universities to modify their recruitment and training systems to respond to skills shortages and surpluses. Wide availability of information on the skills requirements of the economy will be necessary through career guidance and counselling sessions so that students can make decisions with a full set of information. This makes education and training demand- rather than supply-driven, and the operation of market forces in this regard should improve allocative efficiency.

Alternative routes to skills acquisition

As mentioned above, the education system has often been criticised as being too academic oriented (Chiripanhura, 2008; Neube, 2003). For example, this means that students who fail to achieve the minimum requirements of five O-level passes including English and Mathematics cannot access college training. The existence of such a restrictive system without alternative routes for those who fail to make the grade leads to inefficiency in the labour market. They end up joining the ranks of the unskilled and semi-skilled workers despite the fact that some of them have aptitude to become skilled workers. We therefore propose the expansion of the existing system to offer indirect routes to skills acquisition. Such routes can be useful to those that fail to achieve minimum academic requirements but have the flair to follow certain skilled professions. Copying the good practices already existing in other systems, where access courses exist can help people with ambition to realise their goals especially given the state of skills training as the IG takes over. This approach can help rebuild the nation's dwindling skill base.

Exploiting the nation’s comparative advantage

Although Zimbabwe is currently in social, political and economic turmoil, there is a need to focus not only on how to solve the crisis, but also on how to take advantage of the opportunities presented by the current challenges. It has been highlighted that the nation experienced significant growth in unskilled and semi-skilled labour during the crisis period. While the growth of this type of labour is a cause for concern, there is a need to realise that this type of labour can present opportunities. The existence of such labour indicates that the economy has a comparative advantage in low-skill sectors like agriculture, construction, distribution and tourism. As such, economic policy should seek to promote growth in these areas so as to deal with the problem of unemployment.

Revitalising agriculture

As is examined in greater detail in the next chapter, agriculture remains full of potential to kick-start economic growth, especially given the linkages between the agriculture and manufacturing sectors. Thus, revitalisation of the agricultural sector should be a top priority as a way of dealing with the current labour market problems. The sector has potential to generate massive low-cost job opportunities, further enhanced by employment growth in downstream industries like agro-processing, clothing and textiles, and chemical manufacturing (e.g. fertilisers and pesticides). The restructuring of labour markets that occurred due to the land reform programme reduced the formal employment contribution.
of agriculture significantly and created a new underclass of landless and unemployed or under-employed rural dwellers. They still form a significant rural labour reserve that can help revitalise agriculture. Many of them still have specialised farm-related skills that remain relevant to contemporary agricultural needs. It has to be said, however, that the fact that up to a third of the agricultural land area now consists of smallholder farmers suggests that labour market dynamics will probably mirror what occurs in communal areas and small-scale commercial farming areas. New types of labour contracts are emerging, including share cropping and labour tenancy. These have both potential and efficiencies that need to be well understood and regulated to avoid enlarging this rural underclass of the poor.

**Promoting the construction sector**

The bulk of employment in the construction sector is low skill, and reviving the sector will employ more of the unskilled labour in the economy. Currently, the sector is one of the worst affected by the crisis, recording massive declines in employment and contribution to GDP. Construction projects exist that have not been completed for the past five or more years because of shortages of building materials. Moreover, the high demand for accommodation, especially after the government’s controversial ‘Operation Murambatsvina’ in 2005, means there is a case for revival of the construction sector, which can be part of a national housing strategy. Revival of the construction sector depends on revival of the manufacturing sector that produces building materials, and growth in both sectors should create many jobs. A national housing strategy needs to be developed that allows councils, companies, and individuals to finance housing projects. This will not only create jobs, but will also assist in the long-term progress of living standards. Individuals, especially those in the diaspora, are willing to contribute to the construction of houses but are constrained by the shortage of building materials, and where the materials are available, the prices are too high in foreign currency terms.

Investment in the construction sector can also be linked to infrastructure development and public works. Economic crisis resulted in infrastructure (roads, buildings, railways etc) being run down, making any possible recovery a mammoth task. Public works projects to rehabilitate infrastructure create jobs, thus raising incomes along the lines of one set up at independence to look for public sector employment. The differentials became more pronounced among skilled workers, implying that public sector employment remained second best. Once stabilisation is achieved, a comprehensive incomes policy be introduced. The collapse of real wages in the formal sector caused massive resignation of professionals, some of whom joined the informal economy, while others emigrated. The existing earnings structure is extremely skewed within and between sectors so that those at the bottom are worse off. Of particular interest are the differentials between skilled and unskilled (unskilled) workers. The sustainable return of migrants should ensure that they do not re-migrate. This can be achieved by ensuring that the migrants are able to secure employment in their areas of expertise. There is also a need to provide adequate accommodation, education and health facilities so that returnees, who may have more money than those who remained in the economy, do not push up the cost of services and thereby cause tensions in society. A properly managed return process will act as validation for the post-crisis government, which has the potential to attract back unskilled labour that has also gone into the diaspora. Introduction of an equitable incomes policy will likely act as a pull factor attracting people from the diaspora.

**Reviving the tourism sector**

In the tourism sector, labour demand follows the supply of tourists, and the latter is currently held back by the government’s poor governance and human rights record. The general shortage of basic commodities, including fuel, has caused tourist arrivals to decline, while the withdrawal of many international airlines and negative international headlines about the deteriorating economic and political situations in the country act as deterrents to tourists. Greater stability would be a critical first step towards restoring growth in the tourism sector. Restoration of the rule of law, together with the reintegration of the local economy to the international economy, should increase confidence in the economy, and in turn increase tourist arrivals and the level of employment in the sector.

**Facilitating the orderly return of migrants**

The economic crisis generated waves of migrants leaving Zimbabwe for greener pastures, both regionally and internationally. Most of these migrants are skilled workers who respond to world demand for their skills. The tradability of their skills implies that they are able to establish permanent settlement in their respective new nations. Yet differences in culture and other problems means that many of the migrants may be willing to return to Zimbabwe once stability has been achieved. This may occur with a lag in the short-term, as investment in education and training needs to be stepped up. While the return of skilled migrants can be beneficial, it needs to be managed properly so as to allow them to settle well and not crowd out existing workers, some of whom have vital experience managing the dilapidated economy. Returnees need to be incorporated into the new system without being given preference over those who stayed in the labour market. The returnees’ main advantages are the skills and experience gained abroad which can be tapped into to bridge the skills gap and help the economy make a smoother transition towards modernisation.

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**Need for an incomes stabilisation policy**

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Reducing poverty and promoting growth

An incomes policy should serve both the rural and urban sectors. While minimum wage legislation may be difficult to implement in the rural and informal economies, other strategies need to be considered. An example is public works to redevelop rural infrastructure. Proper channelling of funds and management of public works programmes can help boost infrastructure development while also raising household incomes, thus reducing both poverty and unemployment. Also, the removal of maize, tobacco and cotton price controls can also help stimulate production that should have the spin-off effect of higher employment and implicit wages.

Promotion of the informal economy

The informal economy has become the backbone of the economy. It must be supported in so far as it creates and maintains jobs. However, there is a need to deal with the problem of underemployment by creating adequate and relevant employment opportunities for people of varying skill levels. The formal sector alone cannot create adequate jobs, and its small size relative to the labour force has resulted in inflation of paper qualifications that has seen employers raising the minimum entry qualifications for jobs that require lower educational training (King, 1990). Those who cannot be employed formally are forced by circumstances to join the informal economy, with the result that the latter employs more people than the formal sector.

While the dominance of the informal sector over the formal one is undesirable because the former does not contribute to the fiscus; this disadvantage needs to be balanced with the need for massive job creation to deal with the high levels of poverty and unemployment. There is no illusion that stability will result in a quick turnaround of the economy. Stability will likely, in the short term, result in sharp negative pay offs, especially in vulnerable and unprotected sectors. This must be taken into account at policy formulation stage so that the government implements programmes to alleviate the negative outcomes of stabilisation. What remains of the formal sector may require financial support to allow it to adjust smoothly towards a growth trajectory. Households may need to receive support to remain food secure during the transition stage: this can be in the form of transfers (see Chapter 8) or public works programmes so that aggregate demand does not fall too much.

Studies conducted on the informal economy (Kanyenze et al, 2003; Gemini, 1991, 1998; Chiripanhura, 2008) highlight the problems affecting the sector. These range from lack of access to credit or harassment by law enforcement agents. It is paramount that sectors like agriculture and domestics earn very low wages, which means that those workers remain trapped in poverty. It will be critical to ensure that irrespective of what work one does, it supports a basic minimum standard of life. This can be achieved through, say, a minimum wage policy. Notwithstanding this, it should be borne in mind that the success of any incomes policy hinges on the growth of the economy.

Developing a national employment policy

The country has operated without a coherent national employment policy for a long time. Despite rhetoric about the need for job creation since the 1990s, the government did nothing apart from destroying jobs through economic mismanagement. Thus, after stabilisation, the government will need to develop a comprehensive national employment policy in consultation with relevant stakeholders (ILO Recommendation 122 on Employment Policy, 1964). Such a policy should focus, among other labour market issues, on the need for the following: a labour intensive growth strategy which should specifically tackle the problem of youth unemployment; a national minimum wage since current wage levels are well below living wages; development of a national health insurance scheme that covers all workers in the economy; addressing taxation issues to the extent to which they adversely affect the demand and supply sides of the labour market; and the promotion of work place partnerships for development and effective employment relations. The policy should tie in with regional directives on labour administration, and address the need for effective linkages between education and training, and between employment and national manpower requirements.

Reforming the system of economic management and labour administration

The system of labour market administration has largely been centred on the Ministry of Public Service, Labour and Social Welfare. However, there are overlaps with other ministries that deal with some elements of the labour market, like the ministries responsible for small and medium enterprises development, the one responsible for women's affairs, gender and community development, and that responsible for youth development and employment creation. These ministries tend to pursue individual programmes with little (or no) synchronisation. This results in dysfunctional competition and waste of resources. Once stability has been achieved there will be a need to consolidate labour administration under one ministry with the intention of creating economies of scale in administration and policy formulation. This consolidation should be under the Ministry of Labour because it has significant expertise which other ministries lack, and because the Ministry of Labour's tripartite approach to policy formulation and implementation (fostered by ILO conventions) is superior to the approaches used by other ministries. Tripartism allows participation of other stakeholders in policy formulation, fostering ownership and the successful implementation of programmes.

The new administrative system should make use of decentralised institutions like national employment councils (consisting of employee and employer representatives) in grassroots labour administration. Such councils should have an expanded mandate to deal with dispute resolution and the formulation of employment codes of conduct in order to avoid clogging of the system at ministry level. The divisive system that empowers firm level institutions over bipartite (and superior) employment councils must be removed so as to create a coherent and stable system of administration. The role of the Ministry of Labour should be
supervisory rather than one where it deals with almost everything to do with employment. The new system must implement a regulated and flexible system that avoids the excesses of the 1980s (interventionism) and of the 1990s (liberalisation).

**Institution building and the role of trade unions**

Building the institutions of labour administration should include an active role for the trade union movement. The trade union movement merits special discussion. As highlighted previously, the movement has been an important player in the campaign for social and economic justice, calling for good governance and fighting for the protection of workers’ rights. It has mobilisation and technical capacities that can be harnessed for the purposes of economic growth and development. Including it in labour administration through tripartite arrangements like the Tripartite Negotiating Forum (where labour, government and business come together to discuss policies) and national employment councils enriches relations and reduces the occurrence of industrial action. Tripartism, which is currently unique to labour administration, can be extended to cover economic policy formulation too, and in both cases it will be necessary to make the position of social partners stronger than currently existing under the Tripartite Negotiating Forum. The labour movement has the capacity to contribute effectively to policy as shown by its 1996 critique of the structural adjustment programme. Since then, there has been close tripartite cooperation and synergy especially at a technical level that should be exploited for the benefit of the economy.

The trade union movement’s main role of championing workers’ rights will become even more important during the economy’s recovery process. While labour standards are generally high in the economy, the new crop of investors, especially those from China, will pose a serious challenge. They generally do not pay competitive wages, and most of them take little heed of labour standards and health and safety issues. A good example is the awful accidents record in the copper mines in Zambia. Given that China is investing heavily in sectors with potentially dangerous employment conditions (mining, steel processing and textiles and clothing), it shall be very important to ensure that they abide by the nation’s labour and health and safety standards and pay fair wages. This is work that can be left to the trade union movement to deal with. In this regard, the government should not undermine unions’ role in organising and educating workers as had become common from 1998 onwards. Instead, close cooperation can result in win-win outcomes. Unions can also assist in educating and training informal sector operators in labour law, health and safety, and HIV/AIDS. These are activities that the government has never bothered to engage in, but have important long-term implications for the economy.

**2.4 Conclusions**

Based on this discussion it is clear that the crisis had two major effects on labour markets. The first relates to labour market restructuring that started with ESAP and accelerated during the crisis. This reshaped the structure of employment and clearly formal sector employment is dwarfed by a burgeoning informal sector. While informal sector employment can be robust and provide an income to live, we also know that unpredictability and low wages create levels of insecurity and vulnerability that now characterise the urban space economy in Zimbabwe. For sustained poverty reduction, more and better paying formal sector jobs will have to be created within the manufacturing sector. This will not be easy, given the massive skills leakage that has occurred over the past decade as qualified and experienced employees have left the country for greener pastures. This has implications for the recovery of the manufacturing industry and with it, better paying jobs. There clearly will have to be an interplay between formal and informal sector focused strategies during the recovery period. For the manufacturing sector to recover, the agricultural sector must also improve as the two are intimately linked in the Zimbabwean economy. It is therefore to the agricultural sector that we turn in the next chapter.

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**Notes**

1. The labour force figure includes about 800,000 people who were classified as home-makers. The inclusion of home-makers (in both rural and urban areas) as part of the labour force is because they are classified as employed (that is, unpaid family workers).
2. Note that the informal sector referred to here does not include rural agricultural activities.
3. The CSO calculates monthly poverty datum lines for a family of five persons.
4. The decline could also be attributed to the data collection method that excluded students in boarding school and visitors.
5. Reports on this issue were published in various newspapers including The Zimbabwe Independent on 11 July 2008 (Mozambique central bank warns of Zimbabwe economic threat), the BBC on 10 June 2008 (Zimbabweans seek asylum in Zambia) and IRIN on 16 June 2008 (Zambia: Bracing for a Zimbabwean exodus).
6. It should be noted that there is no data on intra-country migration, making it impossible to gain quantitative insight into rural-urban migration, or even the full scale of internal displacement since the beginning of farm invasions.
7. The 2002 census programme operated with a tight budget because of withdrawal of donor support. Since then, the CSO was not able to carry out frequent surveys because the government did not prioritise data collection. It is thus not surprising that policy processes from then on were fruitless since the government did not have clear indications of the state of the economy.
8. CSO started using the broader definition of unemployment in 2004. But even on the basis of the broader definition, the statistics are still unbelievably low and hence are likely of less policy relevance.
CHAPTER 3: Agriculture and land reform

3.1 Introduction

It was shown in Chapter 1 that a majority of the nearly 1.3 million families in rural Zimbabwe make a living through farm-related activities, although other non-farm non-agricultural activities are also increasingly important. It was also shown that the sector is the backbone of Zimbabwe’s economy and has a strong influence on trends in GDP growth. Historically, close to half of total export earnings have originated from agriculture and natural resources, including forestry (GoZ, 1995). It is thus a key sector in determining overall economic performance and prospects for poverty reduction.

Before 2000 the agricultural sector in Zimbabwe was highly dualistic. Although after the 2000 land reforms the smallholder sector now occupies most of the agricultural land, dualism has been maintained. In the commercial farming sector, land is still privately owned, production is for the market and farms are run as commercial profit-seeking enterprises. By contrast, in the smallholder sector a majority of households do not have title to the land they farm, much of the production activity is family-based and subsistence production remains an important part of livelihood strategies. This dualism not only affects income distribution within the sector but also has important consequences for the rest of the economy, particularly through its impact on the labour market. Poverty prevalence also follows this structure, with high prevalence in the family-based, subsistence sector (mostly in poor agro-ecological regions) and relatively low prevalence in the commercial sector (mostly in the agro-ecological areas with high rainfall and good agricultural soils).

This chapter provides an analysis of the land and the agricultural sector during the socio-economic crisis in Zimbabwe and beyond, reviews agricultural policies during the crisis and considers the effects on productivity and production. It argues that, despite some well-known success stories, the agricultural sector has not yet made a significant or sustained contribution to poverty reduction in post-independence Zimbabwe. The chapter makes some suggestions, and raises some key questions regarding post-crisis recovery scenarios. Its principal argument is that the IG and its successor government should focus on an agriculture-led recovery.

3.2 Agriculture and the economy

It was shown in chapter 1 (Figure 1.5) that during the 1990s, the contribution of agriculture and forestry to GDP fluctuated between 13 and 19 per cent. With the exception of the second half of the 1980s, these fluctuations closely follow annual rainfall variations. After 2000 most major sectors of the Zimbabwean economy declined substantially as the socio-economic crisis took root. Agriculture was one of the most affected of all sectors and the overall effect was a distinct slow-down in overall GDP growth. We saw in Chapter 2 that as well as providing a source of livelihood for approximately 70 per cent of the population, agriculture also generated 30 per cent of formal employment before the major land reform programme. It also supplies 60 per cent of the raw materials required by the industrial sector. When rainfall is good it generates 40-50 per cent of total export revenues, over half of which comes from tobacco. Thus agriculture remains the backbone of the Zimbabwean economy and with the general macro-economic down-turn during the crisis years the sector has had to deal with the largest disruptions both internally (brought about by policy decisions based on issues directly related to agriculture) and externally (brought about by policy decisions based on more social than sectoral agricultural considerations). It is against this backdrop that we now examine individual elements of agricultural policy and their performance.

3.3 Agricultural performance

Agricultural production in Zimbabwe varies from year to year according to rainfall and performance is often linked to the weather patterns. Since independence, there have been droughts in the 1982-3, 1986-7, 1991-2 (most serious), 1994-5 and 2004-2005 agricultural seasons. These generally affect lower potential agro-ecological zones more than higher potential ones and, therefore, the communal sector (taken as a whole) more than commercial producers. Official data show moderate growth in the value of agricultural output produced in both commercial, including small-scale commercial (SSC) and communal (including resettlement) areas over the 1982-97 period, in contrast to the two years before that period. From 1999 production slumped to below levels of the mid 1980s, with major fluctuations in production according to weather conditions. Official figures, though, show that between 1982-4 and 1996 the real value of production in communal areas grew by 40 per cent, whilst between 1983-4 and 1996 the real value of production in commercial areas grew by 35 per cent. In the crisis period there was a distinct reversal of this trend and the real value of production fell by 33 per cent (CSO, 2006b). A comparison of agricultural production performance with population growth in communal and resettlement areas shows that, although in good years in the 1990s the real value of smallholder agricultural production has exceeded its peak levels in the 1980s, since 1985-6
agricultural production growth has not kept pace with population growth. In addition, it is clear that the crisis has caused a severe decline in Zimbabwean agriculture and the rural economy in general. Key causes of this decline include:

- **Collapse in agricultural commodity marketing and pricing.** The hyper-inflation environment (231 million per cent) gravely affected returns on agriculture – a factor that is not lost even on the illiterate farmers. This has meant that most people who used to produce for the formal market are reluctant to do so as the delays in processing payments mean that by the time they are paid the money is worth nothing. Households that used to produce for the markets have stopped and produce mostly food crops for subsistence.

- **Asset attrition.** The protracted decline in the economy since 2000 has also resulted in asset attrition as households sell off assets as a consumption smoothing strategy. This often means selling off liquid assets that are also necessary for agricultural production. A decline in cattle numbers has been particularly obvious in some areas although in other areas the crisis has actually seen an increase (Mavedzenge et al 2008). Lack of cattle undermines availability of draught power and also compromises income and consumption smoothing strategies.

- **Labour shortage.** There is a basic assumption of labour abundance in rural Zimbabwe owing to displacement of former commercial farm workers. Available evidence suggests that apart from migration of the able bodied, an inability to hire labour by the smallholder farmers means that labour shortage is a limiting factor on production. Most able bodied young adults that provided family labour have either left rural Zimbabwe for other countries in the region or have opted for non-farm rural activities like artisanal mining. This has created labour constraints on production at the family farm. The lack of skills has become a limiting factor. As experienced and trained smallholder farmers have been dying off due to old age and HIV/AIDS the agricultural skills base has been undermined significantly.

- **Declining soil fertility.** Initial productivity increases in communal lands after the war could be accounted for by the virgin land effect. Once soil fertility declined due to use over time the high external inputs model of production (hybrid seeds and fertiliser) that was introduced has become too expensive to maintain, especially given declining profitability due to poor pricing structure and lack of state support.

- **Drying out of private finance for agriculture.** Once the state stopped supporting the smallholder farmers with inputs, most became indebted and failed to secure private finance needed for inputs. It is quite clear that during the years following a drought when some free inputs were made available there was always a productivity spike, especially in food crops like maize. In the post-2000 period the demise of commercial farming that used to provide bridging income for inputs among resettled farmers has worsened the situation. Before the demise of large scale commercial farming some smallholder farmers could seek temporary employment on farms and used this to purchase inputs. Others relied on urban formal employment to generate the inputs. Once the large-scale farms were taken over during the post-2000 invasions and the formal sector jobs began to decline due to the deteriorating economy this income smoothing strategy was no longer available.

- **Insecure tenure.** Even if private financing was still available, the terms under which land is accessed remains one of the key limiting factors. It is clear that apart from the state and agricultural commodity brokers, financial institutions did not extend credit facilities to the resettled and communal farmers due to lack of tenure security. They stopped supporting large scale commercial farmers once the land invasions started. The productivity effects of this and all the above are apparent when we take a look at what has happened to maize production.

A look at the maize yields (Figure 3.1) shows that average maize yields for communal smallholders remain low – below one tonne per hectare since 2000 despite the sector having registered an average yield of 1.5 tons per hectare in the 1990s. While total maize

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**Figure 3.1: Maize yields by farm type.**
area has grown to one million hectares, it is still 25 per cent short of the 1.2 million hectares of the 1990s. Hence, it is insufficient to restore food production to these levels unless maize yield increases by over 50 per cent to 1.5 tons per hectare.

Part of the reason for the decrease in the yields of maize in communal areas relates to declining soil fertility and general soil degradation with time as the farmers were failing to replenish the soil fertility (Mano, 2006).

Considering the maize output, there has been a progressive decline in the productivity of this staple crop. Maize produced by the communal agriculture sector rose to as high as 80 per cent of the marketed output in the post independence years of the 1980s due to strong infrastructure, financial and other agricultural support provided by the state. As Figure 3.2 shows, there is significant weather-related fluctuation in maize production. Specifically agricultural production in 1995 and 2002 coincided with drought years. The impact of farm disruption during 2002 also caused a decline in production, while the dramatic collapse in large-scale commercial farming maize production from 2000 as a result of the land reform programme is also evident. The rise in output from the resettlement areas shows the effects of more land and other inputs being made available while the general decline in communal lands output from 2000 can be explained as the effects of the crisis that by 2007 had left most of them too poor to farm.

After 2000 the agricultural sector was fraught with complex domestic institutional and market challenges ranging from the skyrocketing rate of inflation and the economic contraction begun in the 1990s, to a worsening macroeconomic situation, social and political upheaval surrounding national elections, and the Fast Track Land Reform Program. Acute shortages of foreign currency crippled the national economy and affected the domestic supply of essential agricultural inputs as well as the ability to import supplements to ensure food security in the face of below normal rainfall seasons and lack of strategic grain reserves. In response to rising hyperinflation and threats of social unrest, the government reintroduced controls in maize marketing and pricing policies that further increased the transfer from rural smallholder maize producers to urban consumers.

### 3.4 Agricultural policies

The following section examines some key elements of Zimbabwe's agricultural policies. Due to its great importance, land reform is treated in more detail in section 3.7.

#### Marketing of agricultural commodities in Zimbabwe

Marketing of agricultural commodities in Zimbabwe consists of two main channels: the official (and often controlled and restrictive) and the open (usually formal and informal small-scale) market channel. There is also a third channel which can be viewed as part of the second. This is the parallel market channel and arises when there are severe restrictions on the movement of commodities along any of the marketing channels. Agricultural marketing institutions are key determinants of efficiency in agricultural production and consumption. During the 1980s, agricultural marketing was dominated by four parastatals, which bought agricultural products from both smallholders and large-scale commercial farmers. These include the

- **Grain Marketing Board (GMB)**, which is responsible for the marketing of white maize, soybeans, wheat, sunflower seed and coffee (controlled products) plus red sorghum, white sorghum, pearl millet, groundnuts, edible beans and rice (regulated products);
- **Cotton Marketing Board (CMB)**;
- **Dairy Marketing Board (DMB)**, which bought milk and butterfat; and
- **Cold Storage Commission (CSC)**, which handled beef and sheep products.

The Agricultural Marketing Authority (AMA) supervised the operations of marketing boards and operated through commodity committees. The policy of a single-channel marketing system was designed to guarantee state procurement and disposal of surplus production. Producer and selling prices for controlled commodities were fixed by government following recommendations by the Ministry of Agriculture and negotiations with producers. Export commodities were priced at close to border prices but generally cost-plus pricing was the main method used to arrive at the final price. Set prices were both pan-seasonal and pan-territorial.

**Figure 3.2: Total maize production in Zimbabwe, 1993-2007, by farm type.**

![Figure 3.2: Total maize production in Zimbabwe, 1993-2007, by farm type.](image-url)
The government’s main objectives of controlling prices were largely to achieve a greater control over supply, thereby improving price and income stability. The twin aims of this approach were promotion of food self-sufficiency and satisfying demand for agricultural raw materials. Unfortunately, achievement of these objectives was very costly. In the 1980s huge deficits in the four marketing boards created viability problems that led to calls for reform of these institutions and deregulation of markets. Subsequently the CMB was commercialised in 1994 while the DMB was privatised in 1997. Although restructuring of the GMB in the 1990s reflected acceptance by government of the need to withdraw from direct price intervention and indirect marketing subsidies to allow the market to set prices, the state never really completely withdrew from intervention in the staple maize sector. After 2000, failure by the state to set domestic producer policies above import parity prices affected production of maize and partly explained the rising food import bill. In 2006, for example, maize producers were paid up to US$30 when the GMB was landing imported maize in Harare at between US$240-340 a tonne (Mano and Matshe, 2006). Poor producer prices discouraged commercialisation of the average small farmer who are presently not achieving the target yield of 1.5 tonnes per hectare that the Ministry of Agriculture assumes in their maize crop budgets. The resettled farmers got free inputs from the GMB input schemes but began to cut back on maize, opting instead for free market traded crops such as tobacco, cotton, and increasingly soybeans.

The implementation of agricultural market liberalisation programmes in the 1990s left smallholder agriculture paralysed with very limited marketing options for maize through the GMB and a few opportunistic private traders with market power. In the cotton sector, only COTCO and Carigill (the big two cotton traders who offer the same prices) offered reasonable returns for farmers. However, their impact on economic rights and livelihoods is still a subject of debate (Mano, 2006). In contrast, for the commercial sector, liberalisation heralded new competitive international agribusiness and marketing opportunities, with many service providers competing to offer a complete range of agricultural marketing and support services including commercial lines of credit for new export-oriented ventures.

This competitive marketing system did not extend to the small-scale sector because of the sector’s lack of enabling public infrastructure and missing agribusiness culture among smallholders, which created a vacuum quickly filled by predatory market players. This severely restricted the rural smallholder farmers’ price and income realisations from available free marketing options. Government marketing institutions have therefore had to spearhead smallholder marketing innovations to demonstrate to the private sector the inherent potential of smallholder agricultural commodity value chains. For private capital the small farm enterprises are perceived as risky due to their lack of business record. Their size is a subject of debate (Mano, 2006). In contrast, for the commercial sector, liberalisation heralded new competitive international agribusiness and marketing opportunities, with many service providers competing to offer a complete range of agricultural marketing and support services including commercial lines of credit for new export-oriented ventures.

From the 1980s the proportion of state funds allocated to agricultural service provision was considered low, given the significance of the sector to the Zimbabwean economy (Rakuni and Eicher, 1994; Eicher, 1995). The efforts of the then Agricultural Technical and Extension Services (Agritex) under the Ministry of Agriculture were considered a key factor in the rapid uptake of hybrid maize varieties by smallholder producers and Agritex also played a role in promoting smallholder horticultural production on state run smallholder irrigation schemes. With rapid expansion of service needed after 1980 Agritex managed to expand coverage by focusing on group extension in place of the previous Master Farmer training approach (Rakuni, 1994). Meanwhile, large-scale commercial farmers were increasingly being serviced by the private sector and worked with Agritex on specific extension issues.

Agritex has a strong promotion- (as opposed to market-) orientation. The Marketing Section within Agritex, only established in 1998, is small and relatively ineffective. Where strong marketing advice has been needed, the department has struggled badly, leading to problems of how the volumes of produce can be marketed profitably. This has been the case for smallholder horticulture on several Agritex-run irrigation schemes (Kydd et al, 2000). Agritex, however, continues to provide production extension services to small-scale producers with the result that there are significant gains in production from visits by extension officers to farmers. The challenge has been how and from where to avail enough funding for this service, so that it can meaningfully and widely provide for the newly expanded smallholder sector. This is particularly pertinent given that from the late 1990s real government spending on all agricultural services in general, and those of Agritex in particular, declined considerably. According to Chisvo (2000), “by
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1994/95 real per capita spending on agricultural support services was 26% lower than the peak in 1990/91. In the 2004 fiscal year the Agritex national budget allocation was just enough to pay the salaries of the civil servants in the department and nothing else (Matshe, 2008). These Agritex budget cuts fell particularly heavily on other recurrent expenditures such as travel costs, significantly reducing the effectiveness of field staff. This meant that the staff that needed to travel from farm to farm did not have enough resources to extend their services. By the early 2000s government expenditure, which had risen to extend coverage of extension services across Communal Areas, fell to the pre-1980 level per farmer. In 2002 Agritex merged with the Department of Research and Specialist Services to become the division of Agriculture Research and Extension Services (Arex). The idea of cost recovery mooted when the Arex was launched has proved problematic as few smallholder farmers can afford to pay for extension services. Introducing cost recovery has therefore been seen as an approach that could compromise uptake of modern farming methods and, although making economic sense, has proved politically untenable as this can easily be seen as a tax on the poor.

Agricultural research

A much greater emphasis on agricultural research, particularly into the challenges facing low-medium potential areas, is necessary if Zimbabwe is to enhance the livelihoods of the majority of the population who still live in communal areas. Part of the success of agriculture in Zimbabwean has been a well-funded and integrated agricultural research effort whose outputs have gradually made it from the trial farms onto the smallholder farms. Prior to 1980, large-scale commercial farmers lobbied the state for agricultural research funding and were successful, leading to the establishment of a strong research-led agricultural development culture. It was felt however that most of this research did not make it onto the farms due to extension failure. This led to a rapid expansion in extension activities and major outputs including the hybrid maize varieties SR-52, R200, R201 and R215, plus breakthroughs against cotton pests and diseases made it onto the smallholder farms (Rukuni, 1994). By 1992 government expenditures on extension were double that spent on research, although the budget from then on declined in real terms intro the late 1990s. Throughout the 1990s total government spending on agricultural services declined (in real terms) and by 2003 there were barely enough funds to keep the department going.

Agriculture finance

During the 1980s one of the government’s agricultural policy priorities was to increase the number of smallholders receiving credit from the parastatal Agricultural Finance Corporation (AFC). Recognising the inherent risk in providing small units of credit to a large number of clients scattered over a broad geographical area, government agreed to underwrite any losses that the AFC incurred under its ‘small loans scheme’ and the net cost thereof (Agricultural Finance Corporation, 1986). Finance was provided to commercial farmers at commercial rates. For them a pure market

Smallholders need support to begin to diversify into high-value crops linked to global production chains (Photo © Tsvangirayi Mukwazhi).
system was followed, where secured finance was based on the provision of security for the loans (which was mostly land title). However, in the early 1990s the AFC was ‘commercialised’ and its lending to smallholders declined, despite the introduction of a group lending scheme aimed at smallholders (Chisvo, 2000). In the late 1990s talk of privatisation led to the AFC being divided into a commercial company (Agribank) and a soft-loan company (ADAF) which aimed to increase lending to poor households primarily in communal areas. The functions of ADAF have now been taken over by parts of the central bank (see below) and it is not clear where it goes from this point. Since most commercial farmers lost their land, the Agribank together with other financial institutions have been left facing huge losses, made worst by the fact that no meaningful new business has replaced the commercial farmers’ business. The Agribank continues to be used by government to channel funds to agriculture but its role is no longer as prominent as it was in the 1980s.

Other financial institutions and commercial banks continued to provide financing to farmers during the crisis but only to a select group of farmers. Most of this financing was preferential financing from the central bank and commercial banks were just used as conduits to pass the financing to farmers. Since 1998-99 the GMB has been advancing credit to some smallholder producers in an attempt to stimulate maize production (Tshirley, Jayne et al. 1999). Some smallholder producers also gain access to credit in kind for agricultural production through contract farming and outgrower schemes, but data for these is scarce. Meanwhile, during the 1990s there was a sharp rise in the number of savings clubs in rural areas. The recent expansion of these clubs has been encouraged by independent organisations such as the Zimbabwe Self-Help Development Foundation, churches and even by agricultural input firms such as Windmill and Agricura in the 1990s. Unfortunately with the hyperinflationary environment of the late 2000s this had ground to a halt once major clients who constituted effective demand in the commercial farm sector had ceased operations.

Agricultural inputs
Government input policy has changed much over the past decade. Most of the changes have been dictated by the fortunes of the nation given the many fluctuations in agricultural performance over that time. Government generally controls inputs, production and trade through multiple mechanisms, but marketing remains in private channels. For example, the government through the Ministry of Agriculture:

- allocated foreign exchange through trade associations for agricultural machinery, pesticides and seeds. These arrangements for the allocation of foreign exchange gave trade associations authority to organise and protect oligopoly markets that did not foster efficiency. Imported machinery in the 1980s and 1990s was only suited for larger-scale farmers (Gissequist and Rusike, 1997).
- subsidised inputs through under-priced foreign exchange. This helped maintain fixed parastatal fertiliser prices. This resulted in farmers having a limited choice of fertilisers, although this situation was better than the situation in most neighbouring countries.

The seed distribution systems though has been found to have been ‘the crown jewel of seed systems in Africa’ (Eicher, 1995: 47) particularly the role of Seed Co-op Company of Zimbabwe, which has been compared to international seed firms such as Pannar and Pioneer. During the 1980s there was a rapid spread of hybrid maize varieties, with most of the maize area planted to hybrids by the early 1990s. Various factors contributed to the adoption of these varieties – including promotion by Agriex, the availability of credit from AFC and the assured market provided by GMB. However a key success factor was the effectiveness of the seed distribution system. The Seed Co-op Company was very active in promoting hybrid seeds to smallholders and introduced small packs targeted at poor customers.

Adoption of hybrid maize and the expansion of smallholder cotton production (amongst other things) were associated with increases in fertiliser use by smallholders. Figures quoted by Jayne et al. (1997) show that total fertiliser consumption by the smallholder sector rose from 27,100 tons p.a. in 1975-79 to 97,200 tons p.a. in 1980-84 and 119,000 tons p.a. in 1985-89. However during the crisis period as the government struggled to provide enough foreign exchange for the sector, fertiliser usage dropped to under 100,000 tonnes.7

Livestock
Zimbabwe’s total national cattle herd rose from 4.81 million in 1997 to a peak of 6.43 million in 2001. Livestock are a form of wealth and serve a multiplicity of functions which include provision of meat, milk, draught power, the use of livestock as a secure form of savings, as well as the use of livestock as a currency in a variety of cultural and social transactions such as bride price. Since Independence, there have been initiatives to support restocking of the communal livestock herd, following, first, the support of the liberation war and, subsequently, the four main droughts. These have been run by then state owned Cold Storage, which has lent or sold cattle cheaply to communal producers, and by NGOs. State efforts have focused more on the eastern Lowveld. During the 1980s the state also sought to expand and improve the quality of veterinary services available to smallholder livestock owners. In the early 1980s, cattle dipping and vaccination were compulsory, but free or heavily subsidised. However, due to the high cost, compulsory subsidised services were gradually withdrawn later, starting in Mashonaland West in 1985. The theory was that private veterinary services would replace state dipping and vaccination. In the absence of compulsion, however, uptake rates are variable. The ending of subsidised, compulsory cattle dipping and vaccination services led to lower livestock survival rates and less investment in cattle beyond the basic number (four) necessary to ensure availability of draught power. Animal diseases have also become widespread in rural areas in the crisis period and the country could no longer fulfil its export quota to the European Union.

The data in Table 3.1 show the national cattle herd for the period 1997 to 2002 disaggregated by farming sub-sector, while Table 3.2 shows national cattle population data for 2002 disaggregated by farming sub-sector and by province. The tables show that communal area cattle population is higher than that for commercial farms and that over the period 1997 to 2002 communal area cattle have accounted for 60 to 71 per cent of the national herd.

Over 70 per cent of the beef cattle population is in communal areas. In the Midlands and Matabeleland North provinces 77 per cent of the beef cattle population are found in communal areas. Zimbabwe has a national goat population of 2.9 million in 1999
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practically all of which is found in the communal areas (Sibanda and Khombe, 2006). These percentage figures are significant when viewed against the land area communal areas occupy, while carrying over 50 per cent of the national human population. These high livestock densities are often associated with environmental problems in the communal areas.

The high livestock numbers in communal areas are not surprising and arise from the importance of livestock in the social and cultural life of the African people in the communal areas. As noted above, livestock are a form of wealth and serve a multiplicity of functions. Thus, the desire of communal area inhabitants to maximise their livestock herds is in conflict with the need to cap livestock numbers to comply with scientifically-determined livestock carrying capacities that are intended to minimise land degradation by livestock. In practice it has been difficult to persuade the farmers to comply with scientific carrying capacity recommendations. What emerges as an issue of concern, then, is what technically feasible, financially acceptable and environmentally sustainable livestock and land management systems could be used in these areas.

The low numbers of cattle in the A1 and A2 resettlement schemes suggest that most of the settlers were without cattle and therefore poorly resourced for production, since cattle are a key productive asset in rural areas. This might also mean that most of those who took advantage of the reform programme were those who were not well established as farmers in communal areas and who could therefore easily relocate. Another possible reason is that the land tenure system in the A1 and A2 schemes is not entirely clear and settlers have been known to be displaced after settlement. Consequently, settlers may have delayed relocating their cattle pending the clarification of the land rights and tenure in these schemes.

### 3.5 The continuing importance of agriculture

The foregoing analysis has shown how the interaction between climate and land use imposes production limitations in the agricultural sector. It has also shown how a racialised spatial expression of land use meant that for most of the past 100 years smallholder farmers have played a variable, and mostly marginal, role in crop production, except for maize and cotton. With the demise of large-scale commercial farming as it was known before 2000, it is clear that post-crisis agricultural reconstruction will not be about reproducing the pre-2000 agricultural structure. It will have to be about putting smallholder farmers at the centre of strategy, as they are now the main story in respect of agricultural land. We think this places smallholder farmers in a good policy position which will hopefully translate into improved livelihoods.

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<td>0.15</td>
<td>0.07</td>
<td>71.3</td>
<td>5.43</td>
</tr>
</tbody>
</table>

LSCF = Large Scale Commercial Farms; CA = Communal Areas; SSCF = Small Scale Commercial Farms; OR = Old Resettlement Areas; A1 = A1 Resettlement Areas; A2 = A2 Resettlement Areas; CA% = Percentage of national herd in CA.


### Table 3.2: Zimbabwe’s national cattle herd disaggregated by province and farm sub-sector, 2002.

<table>
<thead>
<tr>
<th>Province</th>
<th>CA</th>
<th>LSCF</th>
<th>SSCF</th>
<th>OR</th>
<th>A1</th>
<th>A2</th>
<th>CA%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masvingo</td>
<td>578,953</td>
<td>59,719</td>
<td>38,379</td>
<td>67,979</td>
<td>40,901</td>
<td>4,934</td>
<td>73.2</td>
<td>790,865</td>
</tr>
<tr>
<td>Manicaland</td>
<td>492,704</td>
<td>39,345</td>
<td>17,411</td>
<td>123,222</td>
<td>10,277</td>
<td>2,557</td>
<td>71.9</td>
<td>685,516</td>
</tr>
<tr>
<td>Matabeleland South</td>
<td>464,566</td>
<td>138,295</td>
<td>14,089</td>
<td>44,871</td>
<td>5,008</td>
<td>6,421</td>
<td>69.0</td>
<td>673,250</td>
</tr>
<tr>
<td>Mashonaland East</td>
<td>521,261</td>
<td>29,406</td>
<td>87,080</td>
<td>83,325</td>
<td>11,231</td>
<td>5,376</td>
<td>70.7</td>
<td>737,679</td>
</tr>
<tr>
<td>Maswoaland Central</td>
<td>358,898</td>
<td>49,226</td>
<td>28,469</td>
<td>32,054</td>
<td>3,219</td>
<td>7,540</td>
<td>82.1</td>
<td>447,606</td>
</tr>
<tr>
<td>Matabeleland North</td>
<td>413,685</td>
<td>50,454</td>
<td>17,376</td>
<td>35,779</td>
<td>9,323</td>
<td>5,353</td>
<td>77.7</td>
<td>532,153</td>
</tr>
<tr>
<td>Midlands</td>
<td>699,085</td>
<td>64,162</td>
<td>12,384</td>
<td>86,214</td>
<td>26,218</td>
<td>6,458</td>
<td>57.0</td>
<td>900,936</td>
</tr>
<tr>
<td>Mashonaland West</td>
<td>348,610</td>
<td>100,140</td>
<td>34,918</td>
<td>78,554</td>
<td>25,125</td>
<td>24,655</td>
<td>57.0</td>
<td>612,002</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,877,762</td>
<td>530,747</td>
<td>250,106</td>
<td>551,998</td>
<td>149,502</td>
<td>69,892</td>
<td>5,430,007</td>
<td></td>
</tr>
</tbody>
</table>
Reducing poverty and promoting growth

About 70 per cent of Zimbabweans still derive a living off the land either directly as smallholder farmers or indirectly as employees on farms. We also know that about 77 per cent of Zimbabwe’s poor and almost 90 per cent of its extremely poor people are found in rural areas. In fact some 2 million of the more than 2.1 million people in need of food aid are based in rural areas. A majority of these derive a livelihood from the smallholder farms in communal lands, while a good number, consisting mostly of displaced former commercial farm workers, are in limbo. This implies that any post-crisis recovery strategy will need to have this important constituency at its core. The challenge is therefore to come up with a growth strategy that can transform the welfare conditions of a mainly rural constituency while contending with a vociferous but also increasingly impoverished urban population.

It is clear that income growth is central to any future strategy targeting poverty. For the rural smallholder farmers, income growth will have to come from a resumption of farm operations and a revitalisation of commercial agriculture, while for the urban constituents it will have to be employment growth. A look at the economic history of the country suggests that these two have always been linked (see Figure 1.4 above). When agriculture does well, the economy has grown and employment growth has been observed as manufacturing also tends to do well (up to 60 per cent of raw materials for manufacturing industry in Zimbabwe are derived from agriculture). We also know that historically when rural incomes rise, effective domestic demand for manufactured goods and services also rises, which can provide a market for increased output. It is clear than an agriculture-led strategy could be the most direct way to address poverty via raising rural incomes and could ultimately indirectly enhance employment growth. Focusing on rural areas especially, agriculture-led growth is pro-poor in that it implies that a majority of the population do not have to wait for the benefits of growth to trickle down to them via urban employment. The IG therefore needs to prioritise agricultural recovery as a major part of overall poverty reduction efforts. Below we suggest some key components of this strategy and what we think the entry points should be.

3.6 Agriculture in post-crisis Zimbabwe: some ideas for post-conflict reconstruction

The main story for post-crisis agriculture in Zimbabwe will have to be about smallholder farmers. They are the new main agricultural sector both in terms of numbers and also in terms of the amount of land they hold. We are not suggesting a zero-sum game here with large-scale commercial farming, but we recognise that it is this sector that would have to function well if the economy is to recover. Agricultural policy will now need to be reoriented toward the smallholder producer. We identify three priority areas for reconstructing agriculture.

Some quick wins: focus on smallholder farmers in communal areas, ‘original’ resettlement areas and irrigation settlements

The initial focus should be on trying to get some quick wins in restoring agricultural production. We saw in Chapter 1 that along with adverse weather events, the decline in agricultural production can be explained not only by the disruptions to large-scale commercial farming but by smallholders simply being ‘too poor to farm’. Clearly, therefore, a social protection scheme will need to be set up to get them producing again. We suggest here that the initial focus should be on smallholder farmers in communal lands, especially in the better rainfall areas. This is for three reasons:

1. This is where a majority of Zimbabweans still reside and where most of the poor are to be found. There are still over 700,000 families and nearly half of them reside in region 1-3 where agro-ecological potential is high enough to engage in arable agriculture. They have proved in the past that they can be productive.

2. Although much of the infrastructure is in decline, the communal and some of the old resettlement areas still have the basic agricultural infrastructure and services that could be revived in reasonable time at a reasonable cost. This means the production environment can allow for some quick gains to be had. Agricultural infrastructure in fast track smallholder settlements (A1) is yet to be developed.

3. Land here is not contested. Some of the land acquired under fast-track is still being contested and it is also clear that donors will not be willing to directly support production on such land until the main issues are settled. This means communal and ‘old’ resettlement smallholder farmers can attract the substantial resources needed for such a programme without raising any moral or ethical concerns.

Historically we know that smallholder agriculture has rebounded quite quickly from adverse political and climatic events if well supported. Smallholder farmers in communal areas will need to be well supported over several seasons – at least three seasons on a full package followed by graded reduction of support over two years. Taking a cue from Malawi and from past experiences in Zimbabwe, we know that providing a basic package of key inputs (draught power, seed, fertiliser and a grant for local labour hire) is required to kick-start communal lands agriculture at scale. We do not think the assistance package should be means tested as the mechanisms for doing so may lack credibility and can potentially be abused in the current political climate. We suggest that the focus be on the smallholder farmers in regions 1-4. This would reach close to 71 per cent of the target group. If the weather conditions are favourable smallholder farmers can lead agricultural recovery, not only through producing food crops and reducing the import bill, but also through the disposal of surplus production via markets.

Enhancing agricultural incomes through high value crops and links to markets

Poverty among smallholder farmers is a function of low incomes. In order to claw their way out of poverty through agriculture, households’ earnings have to improve. This can be done not only through productivity growth but also by ensuring that some of the more exclusive but lucrative markets work for the smallholder farmers. They will need to diversify into high value crops linked to global production chains. It is in identifying these markets and linking the smallholders with them that the state and other non-state sectors will need to be involved. We are thinking here about links to some of the global supermarket chains either directly or through out-grower schemes. By the time of the land invasions in 2000 some of the large-scale farms had already started some successful out-grower schemes that were working quite well. It is such initiatives that will create the income growth necessary for the economy to recover.
Table 3.3: Land distribution and holdings size patterns, 1980-2004.

<table>
<thead>
<tr>
<th>Farm Class</th>
<th>1980</th>
<th>1996</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of farms</td>
<td>Hectares (million)</td>
<td>Number of farms</td>
</tr>
<tr>
<td>Smallholder</td>
<td>700,000</td>
<td>14.4</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Small to Medium Scale Commercial</td>
<td>8,000</td>
<td>1.4</td>
<td>8,000</td>
</tr>
<tr>
<td>Large scale Commercial</td>
<td>6,000</td>
<td>15.5</td>
<td>4,500</td>
</tr>
<tr>
<td>Corporate Estates</td>
<td></td>
<td></td>
<td>960</td>
</tr>
</tbody>
</table>


Revising large-scale commercial agriculture

Disruptions in commercial agriculture will not be easy to deal with, due in part to some outstanding issues on tenure reform and compensation of previous owners. However, because large-scale commercial farming occupies about a third of all agricultural land, primarily in the better rainfall areas, it is imperative that productivity levels be restored. Apart from the demonstration effect this has on smallholder agriculture, the scale factor implies that they can enhance agricultural productivity growth. Reviving large-scale commercial agriculture will need the private financial markets to begin lending again. For this to happen, the uncertainties surrounding ownership and tenure will need to be resolved. As long as these issues are not resolved, agricultural financing will continue to be difficult and the farmers will continue to rely on the cash constrained state for support. The following section therefore examines the vexed issues of tenure and land reform in more detail.

3.7 Land reform

In Chapter 1 of this report it was shown that a majority of poor Zimbabweans still reside in rural areas where they rely mostly on farm-based income. Any prospects for sustainable poverty reduction at scale will have to depend on what happens with respect to agricultural and non-farm incomes in the short to medium term. A key determinant of whether a household is able to make a living and stay out of poverty in rural Zimbabwe is access to adequate stocks of assets, built around access to and ownership of land. Access to land and the conditions and terms under which it is accessed will influence the ability of households to produce food crops and other commercial crops for their own consumption and marketing. Two key issues generally dominate any discussion on land and poverty in Zimbabwe. These are land redistribution and tenure reforms. In this section we look at these two and consider the effects of the crisis on land use and emerging tenure arrangements.

Until the Fast Track Land Reform programme of 2000-2003, land was divided unequally between races. This was a legacy of colonial occupation and the subsequent land alienation attendant to settler colonialism. We saw in Chapter 1 how areas of better farming potential were carved out for use by mainly settler white commercial farmers. This racial space segregation meant that a majority of black Zimbabweans eked out a living on overcrowded communal lands with poor agricultural potential. In a way, most of the poverty in communal lands may have been created, and can be explained, by the marginality of the land from which they were supposed to make a living. Overcrowding and marginality combined to produce low incomes from agriculture and significant underemployment. Arrighi and Saul (1969) have argued that the communal lands were effectively a reserve army of labour created to service the urban industrial economy and the large-scale commercial farming areas and mining. To the extent that there was continuity after independence in 1980, we can also say, as Mhone (2000) has observed, that this strategic segmentation and enclavity in part explains the perpetuation of poverty in rural Zimbabwe to date.

Table 3.3 shows the distribution of land at independence in 1980 and after the fast track land reform. It is clear that the land reform process has transformed the structure of land use considerably with smallholder farmers now occupying the bulk of agricultural land. Small- to medium-scale farms and large-scale commercial farms now occupy just a third of agricultural land.

Land redistribution is often seen as a powerful tool in the fight against poverty in areas where a majority of people are rural based and make a living mostly, though not entirely, on land (Jayne et al, 2003; el Ghonemy, 2002; de Javnry et al, 2001). Where ownership and access to land is unequal, redistribution is often seen as a way of helping land-constrained households out of chronic poverty through a significant ‘one off’ infusion of assets into the household (IFAD, 2001). We know from evidence elsewhere that countries with better distribution of assets like land tend to record significantly better rates of growth than those with skewed patterns (Birdsall and Londongo, 1997; Deininger and Olipto, 1999; Mo, 2003). Deininger and Squire’s (1998) work suggests that initial asset inequality hurts the poor through credit-rationing and limited investment ability. A more equal distribution of land has multiplier effects that have been observed to enhance income growth. There is therefore a general view in the literature supporting the idea that low levels of income and asset inequality are beneficial for poverty reduction. Work by Gugerty and Timmer (1999) looking at 69 countries supported the view that equity in the distribution of both agricultural and non-agricultural assets can form the basis for poverty-reducing productivity growth. Better distribution of land in China is often used to explain why human development indicators in China fare better compared to India (Burgess, 1999). To the extent that it was done well, we can see that there were both economic and political justifications for a fairer distribution of land. In the next sections we look at attempts to redistribute land since 1980 and some of the emerging outcomes with respect to poverty reduction.
3.8 Land reform and resettlement in post-independence Zimbabwe 1980-1992

Upon attainment of independence in 1980 the state was committed to a planned programme of land resettlement in accordance with the Lancaster house agreement. With matching grants from the UK’s Overseas Development Administration (now DFID), the state launched the intensive resettlement programme in September 1980, with the declared aim of resettling 18,000 families on 1.1 million hectares of land over three years (Chitsike, 1988: 15). Land had been one of the core grievances that led to the war of liberation and as part of the Lancaster house settlement it had to be addressed somehow. What is clear however is that during the transition to independence (1977-80) the Zimbabwe-Rhodesia state had produced a rural development plan that sought to create a smallholder irrigation-based resettlement programme. During the 1979/80 financial year 86,000ha of land had been acquired in the South Eastern Lowveld to resettle smallholders. This meant that at independence the only plans that existed revolved around producing a new breed of capitalist farmer on modern smallholder farms quite distinct from the communal lands. This was at variance with campaign manifestos published in December 1979 that seemed to show that the main guerrilla movement, if elected, would ‘promote on newly acquired land the establishment of collective villages and collective agriculture’. While the technocrats planned modern agricultural settlements, peasants emerging from the war wanted to spontaneously move onto white-owned commercial farmland to correct the land imbalance. In the end the programme announced by the state in September 1980 was driven by technocrats and sought to:

- Alleviate population pressure in communal areas.
- Extend and improve the base for productive agriculture in the peasant farming sector through individuals and co-operatives.
- Improve standards of living among the poorest sector of the population.
- Ameliorate the plight of people affected by the war.
- Provide opportunities for people who had no land and no employment, who may therefore be classified as destitute.
- Achieve national stability and progress in a country that had recently emerged from the turmoil of war (GoZ, 1983).

The programme targeted returning refugees, those displaced by the war internally, the poor and unemployed, those displaced by large public projects and the landless. Purchases of 223,000 ha in the 1980/81 financial year and a further 1 million ha by the 1981/82 season increased the amount of land available considerably. By 1982 the targets for resettlement had been scaled up to 35,000 households, rising a year later to 162,000 on 9 million hectares in plans announced in the Transitional National Development Plan of 1983/84. The shift in the official target number of households to be resettled and even the basis for the targets is subject to different interpretations. What is clear, however, is that in the early stages of the new Zimbabwe state, the policy pronouncements that had initially been radical started to show a more neo-liberal tone. The first official economic policy document was published in February 1981 with the title ‘Growth with Equity’. With regards to the rural areas, fair land distribution was deemed a priority. According to the policy ‘land is a common heritage and no one should enjoy absolute ownership of it’ (p 4). The policy document, however, still described the resettlement programme as having an emphasis on voluntary co-operative arrangements among peasants’ (p 5).

While the policy document talked about ‘building upon the traditional co-operative approach in the Zimbabwean culture’, the technocrats at implementation level insisted that resettlement processes and procedures were in place to ‘transform peasant agriculture, to remould society and discourage any attempts to revert back to traditional methods and systems of agriculture and administration’ (Geza 1986: 37). What was clear at this point is that the college-trained professionals had ideals that differed fundamentally from the political leadership. The factional divisions between the professionally-trained technocrats concentrated in

<table>
<thead>
<tr>
<th>Model Name</th>
<th>Characteristics</th>
<th>Number resettled by November 1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model A – Normal Intensive Resettlement</td>
<td>Individual settlement in nucleated villages with individual arable land allocation and communal grazing. Each settler is allocated 5ha arable land and a grazing right to depasture 4 to 10 livestock units depending on agro-ecological region. Households reside in nucleated village settlements. State provided the basic infrastructure before the settlers moved in. In the variant of model A, the Accelerated Intensive Resettlement Model, households moved in before infrastructure was in place. After 1992 some model A2 were introduced with self contained residential and grazing units.</td>
<td>51,006</td>
</tr>
<tr>
<td>Model B – Cooperative Farming</td>
<td>Cooperative ventures on farms suitable for specialised enterprises. State assistance in the form of establishment grants for equipment and technical assistance. Households resided in nucleated villages with basic infrastructure provided by the state.</td>
<td>7,936</td>
</tr>
<tr>
<td>Model C – Specialised Crop Farming</td>
<td>Resembled model A in individual plots except that it was based around a central estate that mentored the specialised farmers. Settlers contributed labour in return for free tillage, training and extension support. Used for sugar, tea and tobacco estates.</td>
<td>636</td>
</tr>
<tr>
<td>Model D – Livestock Ranching</td>
<td>Applicable to drier parts of the country. Initial version involved resettling households on commercial ranches with a minimum of arable land. A later variant the Three Tier System involved nucleated villages where basic services were provided, then grazing for five livestock units (subsistence use) and, the third layer had scope for 10 livestock units per household for commercial livestock production.</td>
<td>19,048</td>
</tr>
</tbody>
</table>

the economic ministries and the political leadership who wanted radical agrarian reforms to appease the peasantry would resurface again towards the 2000 elections with dramatic consequences. Early dominance of technocrats in the resettlement programme helped limit the active cultivation of a system of political patronage based on access to land. If an asymmetrical patronial relationship existed at all, this was skewed in favour of the peasant communities which during early independence showed broad disregard for the bureaucracy and the political elite alike (Kriger, 1992). Four models were adopted for implementation. Table 3.4 gives an outline of the main features of the models and the number of households resettled by 1998.

As Table 3.4 shows, the majority of beneficiaries were resettled in Model A schemes that emphasised individual smallholder agriculture. Minimum infrastructure and service standards were also set for these settlement models. A borehole was planned for each village of 20-25 households. A clinic was planned for every 500 families, while a primary school classroom and a teacher’s house were envisaged for every 20 families. Further, each herd of 1,400 cattle was to be provided with a dip tank. It was also envisaged that it would be feasible to effect physical separation between each resettlement scheme and surrounding communal areas through the use of fencing. Within each resettlement scheme, fences would also separate residential, grazing and arable land use zones. The state planned to spend about Z$3,086 (the equivalent of about US$12,000 in 2008 dollars) in resettling each of the 162,000 households planned (Government of Zimbabwe 1982b). At the time (in 1981) planners set an annual income target of Z$400 (about US$1,420 in 2008 dollars) for each settler household. This was double the incomes obtained in the communal land areas at the time.

### 3.9 Land reform and resettlement December 1992-2000

Several key policy developments make this a defining decade in land resettlement in Zimbabwe. The first was the introduction of a programme of economic reform launched in 1990. The ESAP of 1991-1995 was launched to make the economy more ‘competitive and productive’ by ‘moving away from a highly regulated economy to one where free market forces are allowed to play a more decisive role’ (GoZ, 1990). This was a significant shift in economic policy and put an end to the socialist rhetoric of the 1980s. Key components of the programme relating to agriculture concerned deregulation of agricultural prices and marketing. It was hoped this and other measures elsewhere in the economy would yield agricultural growth of 3.2 per cent a year. For the land resettlement programme, however, agreement was reached at the Paris Donors meeting which

agreed on the ESAP aid package, that extra-judicial approaches to property redistribution would have to be renounced. This meant that outright seizure of land would not be possible under the new dispensation. The Second Five Year National Development Plan published in December 1991 also marked this shift, maintaining that: ‘… land redistribution and resettlement programmes are not lasting solutions for over-population problems in the communal areas’ (GoZ, 1991). This represented a significant shift in the conceptualisation of land resettlement. It was announced that the emphasis would now be on ‘communal reorganisation, population planning and establishment of agro-industries and other off farm activities’ (GoZ, 1991).

Although under ESAP the need for land reform was acknowledged, it was stated that ‘the large scale commercial farming sector is of critical economic importance and will continue to be one of the pillars of economic growth’ (Government of Zimbabwe 1990). The programme therefore advocated for a market-based mechanism of transferring land, and more focus on re-organising production in communal areas. By the time ESAP was initiated, the land resettlement programme had been ongoing for ten years and had missed most of its targets, resettling only 52,000 households by 1991 against a target of 162,000 households. As Table 3.5 shows, the amount of land available was falling over the years and there was a corresponding decline in the average number of households resettled per year between 1985 and 1997.

Several other factors apart from ESAP can help to explain the decline in the amount of land and the number of households resettled. The First Five Year National Development Plan (1986-1990) published in April 1986 had identified dwindling financial resources for land purchase, along with drought. In addition there was less land on the market, largely because those farmers who had wanted to sell off their land had done so. Although the state attempted to get more land available on the market by introducing the Land Acquisition Act in 1986 to give it the right of first refusal in all rural land transactions, not much land became available as a result (Moyo, 1995). Donor funds had all but dried up. Although the promised grant from the UK government had not yet been exhausted, there was an unannounced policy shift in the UK government in the late 1980s. The thinking was that resettlement was expensive and was benefiting fewer people (Cusworth, 2000). It was felt that more could be achieved through donor aid by focusing on the communal lands which were still home to the majority. In addition, some internal shortcomings in the programme were identified, especially a lack of capacity to implement the programme following the disbandment of the then Department for Rural Development and its merger with the District Development Fund. Further, there was a perception that

### Table 3.5: Land acquired for resettlement and households resettled, 1980-1997.

<table>
<thead>
<tr>
<th>Period</th>
<th>Land acquired (ha)</th>
<th>Households resettled</th>
<th>Average per year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land acquired</td>
<td>People resettled</td>
<td></td>
</tr>
<tr>
<td>1980-1984</td>
<td>2,147,855</td>
<td>28,568</td>
<td>429,571</td>
</tr>
<tr>
<td>1985-1990</td>
<td>447,791</td>
<td>19,110</td>
<td>74,632</td>
</tr>
<tr>
<td>1991-1997</td>
<td>789,645</td>
<td>23,322</td>
<td>157,929</td>
</tr>
<tr>
<td>Total</td>
<td>3,385,291</td>
<td>71,000</td>
<td>211,581</td>
</tr>
</tbody>
</table>

a lack of transparency in land allocation had crept in as most of the land acquired for resettlement remained unallocated but was being leased to selected state officials. In reality, most of this land in Matabeleland remained unallocated in part because of security problems in the region at the time and also because the types of models being suggested were unpopular with beneficiaries.

Apart from helping to de-emphasise rapid land resettlement, the ESAP had a more direct impact on the land resettlement policy. Two developments are worth noting. Firstly, the target beneficiaries gradually changed from the poor and landless to those with the capability to make the land productive. Although on paper the programme professed to be pro-poor, in reality members of the bureaucratic elite began to benefit more. This in itself affected donor funding as donors did not wish to fund commercial farming that was not linked to poverty alleviation. Secondly, the technical models also changed significantly. A new variant of Model A was introduced. This offered ten times the amount of land in the original A1 model. Clearly, the resettlement programme was being oriented toward the non-poor households. We can say therefore that the ESAP programme significantly influenced the resettlement policy. A further policy factor to emerge in the 1990s was the changes to the land policy following the expiry of the constitutional restraint clause. We look at this in the next section.

3.10 Land reform and resettlement after the Restraint Clause: 1990-present

Land reform and resettlement phase 1, 1990-1999

As part of the settlement negotiations at Lancaster House in 1979 a constitutional clause was included that called for a moratorium on constitutional reforms during the first ten years of independence. This means clauses that limited the nature and form of land resettlement could not be altered in the first ten years. The restraint clause in the Lancaster House Constitution came to an end in 1990. All along this had been blamed for the slow pace of resettlement. It was therefore not inconceivable that substantial changes would take place. Effectively this meant the government could radically alter its approach to land if it so wished. A precursor to changes in the policy was circulated. This was published officially in December 1990. It contained proposals for the new policy regime to replace the Land Acquisition Act. It was just the element of compulsion that appeared to be new in this Act. However, even this was not new since the state could easily have used clauses in the Regional Town and Country Planning Act of 1976 to compulsorily acquire land.

Secondly, the policy made known for the first time the final land use arrangement the state envisioned. Table 3.6 shows the final determination of land use that was envisaged. We can see from Table 3.6 that the intention of the policy was to expand considerably the amount of land under resettlement. More significant, however, is the fact that most of the land would come from the large-scale commercial farms. This was a major sore point in the late 1990s as most of the farmers were unwilling to sell and the government was broke.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Large scale Commercial</td>
<td>15.5</td>
<td>6.0</td>
<td>12.1</td>
</tr>
<tr>
<td>Small-scale Commercial</td>
<td>1.4</td>
<td>1.4</td>
<td>1.4</td>
</tr>
<tr>
<td>Communal</td>
<td>16.4</td>
<td>16.4</td>
<td>16.4</td>
</tr>
<tr>
<td>Resettlement</td>
<td>-</td>
<td>8.3</td>
<td>3.6</td>
</tr>
<tr>
<td>National Parks and other</td>
<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
</tr>
<tr>
<td>State Land</td>
<td>0.3</td>
<td>1.5</td>
<td>0.1</td>
</tr>
<tr>
<td>Total</td>
<td>39.6</td>
<td>39.6</td>
<td>39.6</td>
</tr>
</tbody>
</table>

Sources: GoZ, 1998c; GoZ, 1998d.

A third element of change introduced by the land policy was a shift in the objectives of land reform and resettlement. Following a well-publicised scandal in which government farms were being leased to the bureaucratic elites, the new policy reflected a limited mission to both the poor and a significant gain for the bureaucratic elite. It has been shown that the bureaucratic elite became a major interest group in the resettlement programme in the late 1980s and 1990s, a factor that affected the poverty orientation of the programme (Bratton, 1987; Alexander, 1994). From the largely social, justice-based objectives of the 1980s, the new objectives became more to do with creating a new class of black large-scale commercial farmers. The criteria for selection of beneficiaries also changed remarkably to emphasise interest, resources and most importantly, skill. For most donors there seemed little justification in using public funds to buy farms that would benefit non-poor individuals.

Launch of land reform and resettlement Phase 2

By 1996, the land resettlement had virtually ground to a halt. Apart from declining capacity to plan and implement the programme, donor support had all but ceased, cutting off much needed resources. With political pressure for more transfer of land to take place, the state sought to revive planned resettlement through a reformulated programme that would be acceptable to major donors (Moyo, 2001). At the same time, the then Overseas Development Administration (ODA) dispatched a mission to assess how the UK government could help revive a programme of planned resettlement. The ODA team produced a report that suggested a new programme could be piloted over a two-year period before a major programme got under way. When a new government took over in the UK in 1997, the programme stalled as new priorities for international development assistance were worked out. Impatient to start the programme the Zimbabwe state went ahead with a donors’ conference in September 1998 at which it announced the launch of Phase 2 of the land resettlement programme.

The policy document for Phase 2 outlined the main target beneficiaries as:
1. Poor households from the communal areas;
2. Displaced farm workers; and
3. Special groups such as women, ex-combatants, agricultural graduates, master farmers and persons of means and ability who intend to engage in agriculture.
The target beneficiary groups reflected the mixture of social and economic objectives in the new policy and programme. Four different models of resettlement were introduced for the different social groups, outlined in Table 3.7.

It can be seen from Table 3.7 that the new programme had integrated tenure reform into land resettlement. The beneficiary households would now hold individual title over arable land and group title for communal grazing land. An interesting observation is that in Phase 2, the co-operative model B schemes had been scrapped following adverse evaluations and were to be re-planned into the various individual plot schemes. The state still thought that the 91,000 households could be resettled over ten years at a cost of US$1.9 billion (GoZ, 1998c: 6). This was unrealistic, especially when it was considered that the state had failed to resettle that number in almost twenty years. Donors on the other hand insisted on piloting the models and involving the beneficiary households in the design of the models. The state took this as procrastination. We can say that the failed donor conference marked a crucial turning point in policy, as from then the state announced it would go it alone. The policy had clearly changed and from then on the political context for a combination of extra judicial and quasi-legal expropriation of private commercial farmland had been set.

**Land reform and resettlement Phase 3, 2000-Present**

Once the donors’ conference had failed to raise the funds that the state needed to operationalise Phase 2 and the state lost a referendum for constitutional reforms, it seemed as if prospects for an orderly transfer of land had all but disappeared. Although the World Bank and other donors came up with the idea of piloting innovative resettlement models over two years before trying to seek further support for a wider programme, the state saw this as too little too late. It was under pressure from restless peasants, and was facing urban unrest and a declining economy. Already in 1998 some villagers from Svosve Communal Lands had invaded neighbouring farms, only to be persuaded back with a promise that they would be resettled. In February 2000 when a group of veterans from the war of liberation invaded two farms that had previously been purchased by the state but had not been resettled, it looked like an isolated grievance over the slow pace of land resettlement. There are conflicting views on the complicity of the state in instigating the invasions but what is clear is that the state did not stop the invasions this time round. Some suggest this was done to gain political mileage in the impending election in June 2000.

Within months, however, the invasions had spread to all the commercial farming areas across the country, taking on a more violent turn. In the past the state had moved in to persuade the villagers to leave the commercial farmers to continue with their work, and in cases where this was not done, the courts came in to enforce property rights. It was at this point that the state decided that it was taking all land without paying. It would only pay for improvements when able to. This was the most controversial component. When the mainly white commercial farmers sought relief from the courts of law, it was felt that judicial activism by judges was stalling expropriation of land and constitutional amendments were passed to ensure that the state could nationalise all land and redistribute it. Table 3.8 shows the key legislative changes that enabled expropriation to take place.

<table>
<thead>
<tr>
<th>Legal Instrument</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitutional Amendment 16 of 2000</td>
<td>State will pay for improvement on farms but liability to pay compensation for expropriated land shifted to the UK.</td>
</tr>
<tr>
<td>Land Acquisition Act 15 of 2000</td>
<td>Allowed state to delay payments on improvements to land for up to five years and gave state right to pay in cash, bonds or other securities.</td>
</tr>
<tr>
<td>Statutory Instrument 288 of 2000</td>
<td>Maximum farm sizes according to region enforced.</td>
</tr>
<tr>
<td>Land Acquisition Amendment Act number 1 of 2004</td>
<td>Allowed state to seize more land beyond the court sanctioned Fast Track Land Reform and Resettlement Programme. State would now target most of the remaining commercial farms.</td>
</tr>
<tr>
<td>The Acquisition of Farm materials Act No 7 of 2004</td>
<td>State allowed to take possession of movable assets belonging to evicted farmers (agricultural machinery).</td>
</tr>
<tr>
<td>Constitutional Amendment 17 of 2005</td>
<td>Nationalised all land gazetted for resettlement.</td>
</tr>
<tr>
<td>Gazetted Land(Consequential Provisions) Act 2006</td>
<td>Made it illegal to remain on acquired land unless former owners secure a state lease.</td>
</tr>
</tbody>
</table>
Apart from changing the law, the state also embarked on a programme to reform the judiciary. The net effect of both programmes was that the programme that started off as a spontaneous invasion of farms was regularised in July 2000 into a state programme of land reform now mostly referred to as Fast Track Land Reform. Done under a very decentralised approach, only two programme elements of Phase 2 were adopted, the A1 and A2, although later the three tiers model began to resurface in discussions while a wildlife version was also launched. Though implementation differed from province to province, the key elements of the Fast Track Land Reform were:

- Compulsion. Once land was targeted it was speedily acquired. Often farms were invaded and occupied before the legal processes even got under way and there was little recourse to the courts of law for protection under private property laws.

- Simultaneous resettlement in all provinces meant that this was done at a scale never seen before. The fact that 5 million hectares were acquired inside six months suggests a massive programme was undertaken.

- Accelerated planning and demarcation and resettlement on acquired land. Technocrats were encouraged to use alternative field methods to allow for quick demarcation and resettlement. This was often a big ask for most planning professionals who for years had worked in a system that allowed them to take as much time as was required to get it right.

- Limited basic infrastructure and support. This was resettlement on a shoestring and so the settlers moved onto land before the social and economic infrastructure was in place. This made the initial process of getting started quite difficult. Figures on how much was spent per capita are difficult to compute but it is clear that this is nowhere near the US$12,000 spent to resettle each household under the 1980-1998 programme. This factor, among others, explains the collapse of farm production as a result of the resettlement programme.

At the end of the programme in 2003, Zimbabwe’s land holding structure had been transformed dramatically. Apart from legislating for maximum farm sizes (see Table 3.9) two thirds of all the agricultural land became smallholder farming areas (24.34 million hectares). Small- and medium-scale farms as well as large-scale commercial farms occupy just a third of the total land areas but mostly in the better rainfall areas. All land acquired for resettlement became state property and 99-year leases where offered.

There have been two audit commissions already to look at who got what land and these have brought out some key issues with respect to multiple farm ownership and low uptake of land by the A2 farmers. The Utete Commission started work in May 2003 and produced its report three months later. The report showed that 127,192 households had accessed land under the A1 scheme and under and recorded an uptake rate of 97 per cent. This contrasted with the A2 farm allocations where only 66 per cent of the 7,260 beneficiaries had taken up offers.

Apart from changing the land holding structure, the Fast Track Land Reform Programme effectively extended communal areas as all acquired land under A1 scheme was put under the jurisdiction of the Rural District Councils under provisions of the Rural District Council Act (Chapter 29: 13). This was in addition to the fact that traditional chiefs were given oversight on these areas via the Traditional Leaders Act (Chapter 29: 17).

3.11 Emerging outcomes of land reform and resettlement

To examine the success or failure of the resettlement programme we have to look firstly at what the official evaluations have said. Some of these have focused on specific elements of resettlement and the realisation of stated goals and objectives. Their main distinguishing feature is that usually they are requested by donors that use them as a tool for assessing realisation of intended objectives. Official evaluations have either been done internally as part of monitoring or by external experts. Such studies tend to use mainstream project planning tools and measures of project success or failure. Core among these are cost-benefit analysis and related measures of project worth like the Economic Internal Rate of Return and the Net Present Value with look at returns on investment.

Conventional evaluations and ad hoc Commissions

Conventional evaluations of the resettlement programme are given prominence by the fact that they became the official public record of achievement or failure. In the case of resettlement in Zimbabwe the conventional evaluations have become the basis for either further support of the programme or cessation of donor funding. They therefore wield unusually high significance and to a large extent become vital political capital. The evaluations, however, carry no statutory significance and parliament, while taking note of them informally, does not necessarily debate the findings or call for action. Although the conventional evaluations are lumped together with ad hoc commissions, it should be stated here that the ad hoc commissions have largely functioned to influence policy and are of statutory standing. Unlike conventional evaluations, however, the state is obliged to take note of the reports where the contents are of interest to parliament. As an official report, it becomes subject to cabinet discussion that usually generates feedback for implementation to line ministries. Both conventional evaluations and ad hoc commissions form a public record of the state of resettlement at the time of the study. In this discussion we have distinguished between the two for ease of analysis. We will start with the ad hoc commissions, summarised in Table 3.10.

Two of the commissions in the 1980s were set up before major changes were made to the Lancaster House constitutional provisions that limited land transfers, while the other two reports relate to the period after 1990 when the restrictions on changes to land law had expired. Below, the reports are examined in greater detail.

Table 3.9: Maximum farm sizes for A2 resettlement.

<table>
<thead>
<tr>
<th>Natural region</th>
<th>Maximum farm size</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>250</td>
</tr>
<tr>
<td>IIa</td>
<td>350</td>
</tr>
<tr>
<td>IIb</td>
<td>400</td>
</tr>
<tr>
<td>III</td>
<td>500</td>
</tr>
<tr>
<td>IV</td>
<td>1,500</td>
</tr>
<tr>
<td>V</td>
<td>2,000</td>
</tr>
</tbody>
</table>
The Riddell Commission

The Riddell Commission was set up in June 1980 to look into income disparities in the country. The commission, headed by Roger Riddell then of the Catholic Institute for Race Relations, found that there was acute landlessness in the communal areas. It reported that although the tribal areas had capacity for 275,000 farming units, by 1980 they carried up to 675,000 farming units (Riddell, 1980: 3). Up to 40 per cent of the young men aged between 16 and 30 years were reportedly landless at a time when up to 60 per cent of the European land was being under-utilised (ibid: 5). The Riddell Commission recommended the need for a massive resettlement programme of 218,000 families if poverty in the communal areas was to be abated. While other recommendations of the commission relating to rural incomes found their way into government policy, those directly relating to resettlement do not seem to have had as much impact. For example, the number of people to be resettled was whittled down to 162,000 families. We shall return to the significance of this commission later in this chapter. Suffice here to say this report became one of the major poles in the debate for or against massive land transfers.

The Chavhunduka Commission

The Commission of Inquiry into the Agriculture Industry was sworn in on 23rd March 1981 and presented its findings on 21 June 1982. Chaired by Gordon Chavhunduka, a Zimbabwean sociologist, the commission was set up to give an accurate picture of the state of the agricultural industry just after the war. Out of the thirteen terms of reference, one was specifically focused on the land resettlement programme. The commission was tasked to report upon ‘the present extent (of occupation) and utilisation of land and, having regard to the governments’ land resettlement policies, ways and means by which government could acquire commercial properties for resettlement purposes’ (GoZ, 1982: 1). While acknowledging the mal-distribution of land and congestion in the communal lands the commission was of the view that there was also ‘the need to face the immediate problems of food supply and land rehabilitation in the many degraded communal lands in this country’ (ibid: 67). The commission seems to have been more concerned about the effect of massive land transfers on productivity. It responded specifically to the Riddell Commission’s recommendation to resettle 218,000 families by opining that; ‘it should be remembered that there are 800,000 families living in the communal lands who need attention’ (GoZ, 1982: 66). In its view, ‘No land redistribution in Africa has yet managed to relieve the incremental growth in population, much less to achieve real redistribution’ (ibid: 7).

The commission advised against large-scale appropriation of under-utilised land arguing that the definition of under-utilisation was value laden and difficult to operationalise. Citing the constitutional bottlenecks, its main recommendation was for the government to stick to the ‘willing buyer, willing seller’ approach it had been using. The Chavhunduka report also recommended the setting up of a Commission of Inquiry into Land Tenure. Land tenure was seen as being one of the stumbling blocks to increased productivity in the communal lands. There does not seem to have been an immediate follow up to this specific recommendation as it was not until November 1993 that the Land Tenure Commission was sworn in. However is clear that its recommendation for more focus on the majority in the communal areas was responded to after a two-year gestation period. This came in the form of the variously named Communal Lands Development Plan, drawn up in 1984 and 1985 but made public in the First Five Year National Development Plan (1986-1990). This essentially was an attempt to ‘restructure and reorganise the existing dispersed and isolated peasant settlement’ into ‘more clearly defined land use patterns, more intensive use of the land, thus resulting in higher productivity’ (GoZ, 1986: 53-54).

<table>
<thead>
<tr>
<th>Year</th>
<th>Commission Report</th>
<th>Findings and Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982</td>
<td>Report of the Commission of inquiry into the Agriculture Industry – Chavhunduka Commission</td>
<td>Resettlement should not jeopardise productivity of large-scale commercial farms. High cost of Z$4,000 may not justify the ends if not properly planned. Focus should also be on communal areas. Set up a commission to look into land tenure systems. Land acquisition should continue on willing buyer-willing seller basis.</td>
</tr>
<tr>
<td>1993</td>
<td>Value for Money Project (Special Report) of the Comptroller and Auditor General on the Land Acquisition and Resettlement Programme – Harriid Report</td>
<td>Government has failed to meet land acquisition targets neither has it met its resettlement target. Resettlement programme has failed to decongest the communal lands. Model B and D have been unsuccessful while model A and C have been impressive. Government should recoup part of resettlement expenditure from beneficiaries to maintain scheme infrastructure. Improve efficiency by resettling experienced farmers and introducing tenure that encourages optimum use.</td>
</tr>
<tr>
<td>1994</td>
<td>Report of the Commission of inquiry into Appropriate Agricultural land tenure systems. Volume 1 and 2, Rukuni Commission</td>
<td>Model A Resettlement Schemes are efficient producers but should be re-planned into self contained units. Model B has been a failure to be re-planned to model As. Permit system is insecure and gives more rights to the minister than to the land user. Offer long-term leases (99 years) with option of freehold title after 10 years.</td>
</tr>
</tbody>
</table>
The word attempt is used here as in reality the programme never went beyond the pilot programme following massive resistance from the communal area dwellers that did not wish to be moved into consolidated villages again. Only 287,549 hectares had been re-planned and 9,430 families moved into consolidated villages by January 1998 (GoZ, 1998c: 9).

So, these two ad hoc commissions sought to influence the direction of land resettlement in quite different ways. While the former advocated a radical programme of substantial land transfers, the latter put greater focus on improving productivity and living standards in the communal areas. The prevailing policy environment tipped the scale in favour of the Chavunduka’s minimalist approach. What is also significant, as we argued earlier, is the effect of institutional inertia in policy transfer within the bureaucracy to provide solutions to the communal area problem. The consolidated villages that were central to the Communal Lands Reorganization Programme had striking similarities with the measures of the Land Husbandry Act of 1952 in the then Rhodesia.

The Comptroller and Auditor General Value for Money Report

The Comptroller and Auditor General (C&AG) in Zimbabwe performs audit functions for the state. The head of this office reports directly to the president and parliament and is not a civil servant. The office’s involvement in special assignments is meant to restore public confidence in the systems of public accountability. Through a special project supported by the Swedish International Development Cooperation Agency that sought to introduce and institutionalise value for money audits, the C&AG’s office carried out an audit of the resettlement programme.

The reasons for selecting the resettlement programme are not clear since this is already a statutory duty of the C&AG office under section 9(1)(b) and 17(1) of the Audit and Exchequer Act Chapter 168. Officially, the audit was prompted by ‘the fact that Zimbabwe’s economy is dependant on agriculture and land plays a pivotal role in the development of the country’ (GoZ, 1993a: 5). However, it has been suggested that the study was in part prompted by reports in the media that the land purchased for resettlement was being leased out to senior civil servants and party officials. Instead of benefiting the intended groups, the state funds were thought to be benefiting a few well-connected and rich people. This, it was claimed, was stalling the programme as the influential civil servants and politicians were reluctant to let go of the land. This scandal had made other donors shy away from any further support for the programme. The value for money audit was therefore supposed to allay fears of impropriety on the part of the civil servants.

The audit report was presented to parliament on 25 March 1993 and generated considerable debate. While acknowledging the success of the resettlement Models A and C, the report outlined a catalogue of failures at several levels of the programme. Three areas of criticism stand out. The first area highlighted is the failure to meet the targets for both land acquisition and resettlement. Out of the land acquisition target of 5 million hectares by 1985, the state had managed 2.78 million hectares. Of this amount, 52,438 hectares were being leased out while 235,998 hectares were lying idle due either to the unsuitability of the land or lack of technical planning capacity. Similarly, out of the resettlement target of 162,000 families by 1990, the state had only managed to resettle 52,000 families. Several reasons were proffered for this. Key among these was the security situation in Matabeleland and the Midlands, lack of suitable groups to take over Model B farms, the unsuitability of existing models for the drier parts of the country, limited technical planning capacity, and the unsuitability of the farms for resettlement (GoZ 1993a: 15).

A second finding, identified as a major failure by the report, is the resettlement programme’s failure to reduce land pressure in the communal lands, echoing the findings of the external evaluations discussed in later sections. An interesting contradiction in the report, however, was that it seemed to minimise the importance of resettlement in reducing overcrowding in the communal areas. The report expressed the view that ‘even if the targets for land to be acquired and the number of families to be resettled were met, resettlement alone cannot achieve the Government’s objective of reducing land pressure in the communal area’ (ibid: ii). The implication here was that the government was not getting value for money from resettlement or that it was using the wrong tools for a correctly identified problem.

A third area highlighted by the report is the significant under-utilisation of land particularly in the Model B schemes, which it describes as ‘unsuccessful’ with a utilisation rate ranging from 14 to 33 per cent. Detailed case studies of the Model B schemes showed that most of them had multiple problems including poor selection, inadequate skills and capitalization, poor monitoring and political interference (ibid). The audit report recommended that efficiency could be improved by introducing ‘tenure which encourages optimum use’ in the resettlement areas. Also, it called for the resettlement of experienced farmers with resources and recommended that the costs of resettlement could be cut through recouping some of the costs from the settlers and renovating old farm structures instead of building new buildings. More significantly, the report calls for land purchase to be matched with planning capacity to avoid land lying idle. Political interference in planning, settler selection and managing interface with communal lands was also seen as a negative factor affecting the successful implementation of the programme.

The Land Tenure Commission

The Rukuni Commission was sworn in during November 1993 and presented its report in October 1994. The commission was set up specifically to look at land tenure issues in rural Zimbabwe. The reasons for the timing of this commission are not clear since this was close to a decade since the Chavunduka Commission had made the recommendation. Interviews with key informants point to a combination of factors. Firstly, the new land policy that had been approved by cabinet in 1991 had indicated the need for such a review. Secondly, there were increasing calls for freehold title as an incentive for further investment. This view had gained ascendancy due to the economic reform programme that was under way. A third reason was the release of a damning Value for Money Audit Report in 1993, which indicated that the uncertainty surrounding land ownership in the resettlement areas was affecting investments. The result of this combination of factors was the Commission of Inquiry into Land Tenure Systems in Zimbabwe. Headed by Professor Rukuni, a Zimbabwean agricultural economist, the report of the Land Tenure Commission came out in support of further resettlement based on an analysis of agricultural efficiency indicators.
Reducing poverty and promoting growth

While ticking off the cooperative based Model B as ‘very inefficient’, its overall view of Model A schemes was that ‘the conventional wisdom that Resettlement Areas are not productive is therefore not objective and contrary to the facts on the ground particularly in Natural Regions I, II and III’ (Rukuni Commission Report 1994: 66). The report further recommended ‘a more secure form of tenure’. In other parts of the report this is a recommendation to move towards a free hold title from the permit system in place. The report also called for a re-organisation of the Model A villages into self-contained units and the re-integration of the resettlement schemes into the local government planning system. This was in response to the increase in ‘squatter’ families that had taken advantage of the ubiquitous grazing in the Model A schemes to illegally set up homes.

Four main points can be drawn form these commissions. Firstly, is the fact that commissions have largely been used to shape the broad policy environment and strategic importance of resettlement rather than alter its content and form directly. Secondly, except for the Chavhunduka report and the Value for Money report which urged caution about proceeding with resettlement, the other ad hoc commissions have largely endorsed the necessity of large-scale implementation of the programme. A third point is the role of the ad hoc commissions in influencing decision making and policy. It can be said that this is an attempt to be rational and scientific about problems, especially when it comes to emotive issues such as land. This can be taken as an example of hesitation to take decisions, which may later prove unpopular. By appointing a faceless committee, policy makers can always justify their decisions as products of science. We now turn to a discussion of the conventional evaluations. For ease of discussion a distinction has been drawn between external and internal evaluations.

Table 3.11: Main findings of external and internal evaluation reports.

<table>
<thead>
<tr>
<th>Year &amp; Type</th>
<th>Title of Report</th>
<th>Main Findings</th>
</tr>
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</table>
| 1984 Internal Evaluation | Report of the National Survey of the Normal intensive resettlement programmes, Harare | • Productivity in Model A schemes higher than in Communal areas  
• Increased use of AFC credit facilities  
• Infrastructure bottlenecks affecting social life  
• Emerging social differentiation based on initial assets |
• Significant increase productivity and crop income but a lot of farmers are in debt  
• Some households benefiting more than others & women are disadvantaged  
• No impact in decongesting the Communal lands  
• Productive institutional support could be better |
| 1988 External Evaluation | GFA-EEC Evaluation of EC Co-funded Resettlement Schemes in Zimbabwe. Final Report Sept 1988 | • ERR of 14.8% to 44.4% depending on region  
• Farmers heavily in debt and lending system has collapsed  
• Increasing productivity and cropping intensity  
• Cattle complex has set in  
• Not replicable because of amount of land needed  
• Pay more attention to underutilised land in the SSCFA  
• Integrate them with CL in planning infrastructure. |
| 1991 Internal Survey | CSO-Income Consumption and Expenditure Survey 1990/91 | • Resettlement households with a Theil index of 0.25 in food expenditure are the least differentiated vs. National Average of 0.32 and 0.33 for CL  
• RA have the least diversified income portfolio |
| 1991 Internal Evaluation | DDF Progress Report up to 1991 | • Productivity fluctuating but rising  
• 1990 77% of AFC’s resettlement loan portfolio in arrears. Drop in loans from 70% in 1984 to 10% in 1990  
• Increasing and substantial permit violations rising from 9,191 in 1987 to 13,756 in 1990 |
| 1992 Internal Evaluation | Evaluation Report of Model B Resettlement Schemes | • Most are under performing due to poor selection, skills, extension advice and lack of access to loans  
• Some are no longer operating as co-operatives |
| 1995 Internal Evaluation | DDF-Review of the Land Resettlement Programme 1980-1995. | • Background of settlers has a bearing on productivity  
• Communal grazing problematic and needs changing  
• Inappropriate models for the drier regions. Models B and D have been a failure, Model A successful  
• Need to scale up productivity in the resettlement areas which is still lower than the plan models |
| 1996 External Evaluation | Cusworth et al – ODA Report of the Land Appraisal Mission | • Land redistribution now benefiting the black elite rather than the poor  
• Land shortage not necessarily delaying resettlement as there is still unallocated land  
• Scale down resettlement to 3,000 families/year  
• Return to the ‘willing buyer, willing seller’  
• Introduce other players NGOs, private sector |
| 1998 Internal Report | Report on Squatting in the Resettlement Schemes | • 7,000 illegally resettled farmers in Schemes  
• Re plan the villagised into self contained to get rid of communal grazing area which squatters see as vacant land. |
Reducing poverty and promoting growth

Officially commissioned evaluation studies

At least five internal and four external evaluation studies of the land resettlement programme had been conducted by the time of the study. These have yielded a lot of information about the outcomes and impacts of the programme. Table 3.11 is a summary of these keys reports and their main findings and recommendations.

The resettlement programme operated largely without a formal evaluation unit until 1984 when an agreement with the ODA provided technical assistance for setting up such a unit. Internal ad hoc monitoring arrangements had been in existence however since 1982 with monthly meetings and annual reviews (Cusworth and Walker, 1988). The establishment of this unit meant that ongoing and continuous monitoring of the project could be established largely as a requirement of the ODA reporting arrangements. It was at the establishment of this unit that it was realised that two separate project documents had been drawn up. One was drawn up by the ODA while the other was the operational document for the Government of Zimbabwe. Although the objectives outlined in the two documents were similar, the modalities and targets differed significantly. A key area of difference was on the numbers to be resettled. Furthermore, UK public funds would only support Model A schemes. Through annual surveys and reviews, the evaluation unit built up a database of the Model A schemes. It is this database that formed an important baseline for most of the evaluation studies to date.

3.12 Lessons from external evaluations and ad hoc Commissions

Although there is evidence that prior to these evaluations the donors (and particularly the ODA) were involved in monitoring the programme activities through monthly meetings of the inter-ministerial committee in charge of resettlement and annual reviews, the 1988 evaluation study was the first formal external evaluation of the programme. By the time of this evaluation significant alterations to the original proposal had been made unilaterally by the Zimbabwe government. The most significant was the change in the targets for resettlement from the 17,500 families to the 162,000 families (ODA, 1988). The evaluation was therefore being based on the original funding agreements. This in itself is significant because it puts into context the problematic relationship between the Government of Zimbabwe and the UK government that has dogged this programme to date. Key findings raised by the evaluations included:

- That the programme had resettled more than 40,000 families at a cost of Z$3,642 (£2,106 at 1986 rates) per household against the original project target of 17,500 families. (While this is a remarkable result in terms of the original proposal targets, for the Zimbabwe government this was way below the 162,000 families it had hoped to resettle).
- The programme did better than expected, achieving an Economic Internal Rate of Return of 21 per cent. This was significantly higher than the original forecast of 14 per cent in the ODA appraisal document. The EEC evaluation study shows variations in returns according to agro-ecological regions and emerged with a range of 14.8 per cent for those in marginal areas to 44.8 per cent for the farmers in better rainfall areas.
- These significant increases in productivity and crop income had taken place but some of the gains were threatened by the collapse of the AFC lending scheme due to the high rate of defaulting.
- That the cash crops economy had seen most households moving away from subsistence crop with implications for food security.
- That increased incomes or proceeds from improved yields were being invested in the unproductive build up of large herds.
- The programme could result in increased social differentiation as some households have benefited more than others. Female-headed households were singled out as a particularly disadvantaged group.
- That the programme had not made an impact in decongesting the Communal lands. Evidence of this was provided by increased spontaneous resettlement.

It is apparent from these findings that the programme was a qualified success. The ODA report put it succinctly saying ‘it must be a source of satisfaction that such a complex and politically oriented programme that was required to achieve a range of, in some cases apparently conflicting objectives, has not been in economic terms a waste of resources’ (ODA, 1988: 191). This endorsement is however qualified by a further statement that ‘it is however questionable whether future formal resettlement can generate comparably high rates of return’ (ibid: 194). The EEC evaluation deemed the programme results ‘not replicable’ owing to the costs involved (EEC, 1988: xiii).

At the time of its submission, the ODA evaluation study report was well received by the Zimbabwe government as it vindicated its original position that resettlement could result in economic prosperity. For the ODA, though the report showed that the use of the funds had not been in vain, it presented a dilemma on the way forward. Since the results were largely positive, the expectation was that the land redistribution could continue. After a few years of little engagement, an external mission was dispatched in 1996 by the ODA to look at the programme again and see how it could be moved forward. Several changes had occurred by then. Chief among these is the fact that the constitutional constraint for compulsory land purchase had elapsed and a new policy regime was in place. The programme had also shifted in focus with a new set of objectives that focused on the black elite farmers. The 1996 mission came up with the findings that:

- The programme had significantly slowed down and was now benefiting the black elite rather than the poor, (something that the major donors would find difficult to support).
- Land shortage was not necessarily delaying resettlement as there was still unallocated state land. It isolated constraints related to planning capacity as being partly responsible.
- The mission recommended the need to refocus any donor supported programme to the poor and to scale down resettlement to 3,000 families per year.
- The return to the ‘willing buyer, willing seller’ would be the best way forward in land acquisition.
3.13 The internal evaluations

Several internal evaluation studies have also been done. A look at Table 3.11 shows that most of these have been based on the same dataset on which the external evaluation studies were derived. It is, therefore, not surprising that the findings are largely similar. The internal evaluations show:

- Resettlement targets set out in GoZ official documents have not been met. This is in marked contrast with the external reports, which base their achievements on the original targets they agreed on or the funding of specific schemes. If the issue of numbers were the main criteria on which this is judged then the programme has been a failure (although when compared to other experiences in Africa the success is monumental, Kinsey, 1999).

- Land resettlement had managed to provide households with viable but agriculture-based livelihoods. This increased risk to covariant factors – vulnerability to the vagaries of the weather and the world markets.

- Increasing accumulation of assets, with the 1992 Survey finding higher levels of resource ownership than the 1988 survey. This has been accompanied by increasing social differentiation although this is lower here than in the communal areas.

- Increasing violations of the terms of permits, which rose from 9,191 in 1987 to 13,756 in 1990.

- Poor coordination among the implementing agencies.

- Collapsing support services, especially credit facilities and extension services.

- Resource-use conflict between the communal and resettlement farmers, especially over wood biomass and other land-based resources.

- Increased incidence of ‘squatting’ on land set aside for grazing schemes within resettlement areas. By 1999 there were 8,000 families ‘squatting’ in resettlement areas.

In addition to the above issues distilled from the internal evaluations, several official documents have also made evaluative comments on aspects of the resettlement programme and especially on land acquisition. The Land Reform and Resettlement Programme Phase II Policy Framework and Project Document, published in September 1998, isolates three lessons from the resettlement experience. While stating that the programme ‘learnt that land redistribution can have high financial and economic returns’, it concedes that ‘shifting the focus to better-off peasants from 1990 to 1995 meant the virtual neglect of the land needs of the landless majority in communal areas, and an unresolved land question’ (GoZ, 1998c: 7 and 9). A further area of learning singled out is the careful management of the environment.

The National Land Policy Framework paper released in December 1998 was more explicit in its assessment of issues that needed attention in the programme. While isolating the land supply constraints emanating from the legal and constitutional framework, the report identifies ‘the weak co-ordination of policy; archaic and top down physical planning rather than socially grounded and democratic principles of planning; rigid and thus ineffective land use modelling; the weak legal definition of the main implementation procedures and land rights of settlers; and the undue efforts by the state and party to control the land redistribution programme’ (GoZ, 1998d: 27) as major flaws in the programme. It is clear from the official evaluations that they see the land resettlement programme as having improved the livelihoods of the resettled farmers. While ad hoc commissions have sought to influence the strategic role of resettlement in the macro-policy arena, the evaluations have sought to provide information that could form the basis for improvements in the programme.

Impact of land reforms on livelihoods and poverty

It is quite clear from available evidence that land reform when well planned and executed produced positive results. These include findings that:

- Resettlement gave the (mostly poor) households a livelihood. Planned resettlement allowed careful and generally transparent selection of households from among the target groups. Resettled households were able to increase their land asset base to about 5ha. This allowed them to produce more and earn farm-linked incomes substantially higher than their communal area peers in some areas. We know, however, that this increased income did not necessarily translate into better education and nutrition for children due to some design flaws in the settlements (Kinsey, 1999).

- The success of agriculture in resettlement areas spurred on the development of the local non-farm sector and most of the planned resettlement areas from the 1980s have become fully fledged settlements, with a full range of services available. These had begun to create local employment opportunities by the time the crisis emerged.

- The newly created settlements worked well as long as state support was available (during the first four years the settlements were run as projects with a resident officer, but from year four they were handed over to local administration). We know that once the resident manager was withdrawn some of the settlements floundered. Again this was a design flaw of projectised resettlement following a standard model which suggested that resettled households should be able to thrive after about five years – yet we know that this is not necessarily so in rain constrained settlements like those in Zimbabwe.

- Most households increased their net worth by year 10 of being resettled, even if one in every four years was a drought year – in Nyamakate the value of productive and other assets increased by as much as 253 per cent over 10 years (Chimhowu and Hulme, 2006). Most of this increase in net
worth was in the form of investment in cattle that in all cases accounted for more that 50 per cent of household assets. In fact it is clear from several studies that access to land, if done well, is one of the best ways to create wealth among mainly agrarian societies.

- Inequality and social differentiation were reduced. It is clear that newly created communities in the resettlement areas are more equal than those in communal lands of Zimbabwe. Equal access to land and support meant that each household had more or less equal chances of making a livelihood on land, barring some idiosyncratic production issues.

However, not all impacts were positive. It was also found that:

- Land settlement schemes based solely on rain-fed agriculture were less diversified and very vulnerable to drought and other external factors that affected agricultural markets. With up to 88 per cent of some households’ income derived from crop income alone, this made the households vulnerable to the vagaries of the weather and volatile markets. One of the effects of the crisis has been to reduce this reliance on farm activities for a living. Non-farm activities, especially artisanal mining and remittances, have emerged to rival farm production as a means of a living in some parts of rural Zimbabwe, especially those endowed with alluvial minerals and closer to international borders.

- Availability of aid meant that settlements were planned as projects rather than as areas that needed long-term state support. This meant that in some cases once the state withdrew the settlements went into decline.

- Inter-generational issues have begun to resurface and key among these are: inheritance problems as the children of the original farmers fight over who takes over the farm; subdivision has reduced the amount of land available to the multiple households (mostly of children and close relations) to a point where densities may rival those of communal areas.

3.14 Land tenure

Land tenure refers to the rules that govern land and property rights. This involves issues of land administration, land transfers (inheritance, sequestration and land marketing) as well as the security contained in these rights. Prior to independence in 1980, the tenure system operational in Zimbabwe was clearly defined and consisted of freehold tenure in the commercial agricultural sector and communal tenure in the communal areas. When farmers were resettled in former commercial farmland, the land tenure system changed from freehold to a special type of permit equivalent in conditions and terms to communal areas. However, there were slight but distinct differences between the resettled areas and communal areas. Firstly, unlike in traditional communal areas where the society was organised under a traditional leadership system, and where the chief provided credible leadership and exercised control over his subjects in land matters, there is no such traditional leadership in resettlement areas. In resettlement areas chiefs had been replaced by elected leaders from amongst the settlers (usually non-filially related as opposed to those in communal areas). Passage of the Traditional Leadership Act restored the jurisdiction of chiefs over resettled lands, a situation that attenuates the power and control of the leadership on the other settlers.

Secondly, even though the inhabitants did not have freehold tenure in the communal areas, they had secure usufruct rights that are permanent and almost equivalent to freehold tenure and in some cases land even changes through what some have termed vernacular markets operating in these communal areas (Chimhowu and Woodhouse, 2005 and 2006). Since their rights included permission to bequeath land to the family in inheritance, communal farmers were compelled to exercise a high level of stewardship over their land and to protect it in trust for their descendants. In addition, the traditional leadership structure also compelled the inhabitants to protect their land and resources in trust for future generations since the land was traditionally ‘owned’. Still this has not stopped some from considering land as a commodity that can be bought or sold irrespective of what the law says.

To deal with these issues, late in 2006 the government developed a system of permits (referred to as 99-year leases). These permits were supposed to guarantee farmers a certain level of security of tenure over the 99 years and were supposed to be useful as collateral security for those farmers who might wish to borrow money from financial institutions. The leases were particularly useful for the government to try to counter accusations that land appropriation was at the core of the crisis (Richardson, 2005). These leases were only going to work in resettled areas and have met with scepticism from both the farmers and the financial institutions.

Security of tenure, then, remains one of the challenges of land policy in Zimbabwe. Matshe et al (2006) have shown the complex problems that can arise when farmers have doubts about security of tenure. Very little investment occurs and depletion rates of natural resources on such land are much higher than in areas where tenure is more secure. The situation in resettlement areas where there is no secure tenure and an absence of a controlling traditional leadership can lead to a system of laxity in accountability. Emerging evidence suggests wanton tree cutting and selling of the timber for firewood in resettlement areas, as well as the establishment of arable land without erosion control structures.

One thing that is clear is that the state has decided to maintain the dualism in tenure structure. By recognising A2 resettlement as being superior to A1 and worthy of commercial leases while the later are not, the state may have undermined the ability of the A1 smallholders to realise the full potential of their new assets. This is one of the areas that may need to be revisited especially if the state makes smallholder farmers the drivers of economic recovery. It is to the post-crisis recovery that we now turn in the next section.

3.15 Land reform and the post-crisis reconstruction

Quite clearly land reform has been at the centre of the Zimbabwe crisis and the expectation is that the post-crisis dispensation will iron out some of the problems that potentially can affect the ability of beneficiaries to grow their way out of, and stay out of, poverty. We see three main issues as priorities with respect to land.

The unfinished business: tenure reform

Although land redistribution is all but done, one area that still needs revisiting is tenure reform particularly for smallholder farmers. Apart from nostalgia there does not seem to be any logical justification for continuing the dual tenure regime in Zimbabwe. This creates two classes of citizens. On the one hand are over 800,000 smallholders
occupying some 14 million hectares of land under communal tenure, while on the other are nearly 320,000 resettled households occupying land on conditions that are obviously more favourable than their communal land peers. The IG may need to revisit this and perhaps look at innovative ways other countries in the region, especially Mozambique and South Africa, have dealt with tenure reforms.

**Replanning A1 units**

Most of the nearly 130,000 beneficiaries resettled on A1 units lack basic social services and infrastructure since most of the large-scale commercial farming areas did not have social infrastructure as they were privately owned. This can affect their ability to utilise the land they have received through the programme. It is important that these be ‘replanned’ along the lines of the old ‘accelerated’ resettlement programme of the 1980s. This would involve planning them as new settlement projects with full costing for social and physical infrastructure. This will not be cheap. We know from the 1980s that it can cost up to US$12,000 per farm to provide the basic infrastructure, training and initial input support needed for a typical agricultural settlement. To support the 130,000 A1 beneficiaries would require an investment close to US$1.6 billion. Planning them as individual projects has the advantage that it can allow the state to solicit for support for individual ‘bite’ size projects that donors might wish to support. Similarly donors can choose which projects they wish to support. However, it will still be the responsibility of the state to provide the overall connecting infrastructure. This multi-speed approach has the downside that certain regions may become more popular than others, which could easily create political problems.

As much as possible the replanning needs to recognise the symbiotic relationship between these new units and the adjacent communal lands. It is therefore important that planning be integrated and coordinated with existing physical and social infrastructure in the communal lands.

Given that A2 beneficiaries have more land and better terms and conditions of access, the state needs to explore private sector partnership to provide commercial loans to this group, perhaps at subsidised rates. Like the former large-scale farmers it should be their responsibility to develop local physical infrastructure although the state can help organise provisioning of social infrastructure.

**A2 Land audit**

The Global Political Agreement that formed the basis for a thaw from the crisis foreclosed any discussions about reversing the land redistribution exercise. This means that the IG can only refine and iron out emerging problems from the exercise. We know from the Utete and Buka Reports that there are still issues of multiple farm ownership under A2 schemes. In addition the actual uptake of A2 farms needs to be established. It is therefore imperative that an independent audit of what is happening on these farms be undertaken with a view to reallocating underutilised land, perhaps to those with farming expertise who are looking for land to get back into farming under the new terms and conditions.

**Land registry**

The resettlement process created new farm units that will need to be properly mapped and registered. It is therefore crucial that the land information management system be revamped so that it can cope with the increased land units that will need to be registered. Given the number of farm units that will need to be registered it may be necessary to decentralise and simplify this function to districts. Since district land committees hold the most accurate information, a Land Information Management Unit could be set up to run from these institutions and possibly even at ward level. To improve user interface the registration process will need to be as accessible, cheap and simple as possible. This might mean creating and training a new cadre of paralegals operating at district or ward levels.

**Enhancing land use through taxation**

One of the ways in which the state can ensure that beneficiaries use the newly acquired land is to ensure that after an initial grace period the smallholder farmer begins paying a land tax. This would apply specifically to beneficiaries under the A2 scheme. A key advantage is that it forces the beneficiaries to utilise land, especially if the taxes are based on expected output. A downside is that it can potentially cripple already struggling nascent black commercial farmers and given the political power of this group of beneficiaries it is unlikely that there will be political consensus for this.

**Compensation fund for former land owners**

Although the former white commercial farmers cannot be compensated for land under the terms of Constitutional Amendment 16 of 2000, it may still be incumbent upon the IG to consider a pool of funds, probably funded by donors, to compensate the farmers for the land. This of course is a controversial and potentially sore point as donors are not obliged to pay compensation and would rather use the resources to support poor smallholder farmers. We know from the cases like Japan, Taiwan and South Korea that it was the investment from deposed landowners in other areas of the economy that helped the economies to grow after the Second World War. Clearly things are different in Zimbabwe but under certain conditions this compensation fund could kick-start investment in selected areas of the economy and perhaps help with economic recovery. It may be worth exploring this avenue as a way of bringing closure to an issue that will likely rumble on in the courts of law for a while to come.

### 3.16 Conclusions

This chapter has examined the agricultural sector and the vexed issue of land in Zimbabwe. It has argued that agriculture will need to be at the heart of a pro-poor, post-crisis recovery plan, since many of the poor rely on agriculture for a living. Furthermore, agriculture forms an important input into the industrial sector, with growth in the industrial sector tied to the success of the agricultural sector. As such, restoring agricultural output is a prerequisite to improving the industrial sector. To achieve this, this chapter has argued that the focus must be on smallholder farmers, since they now dominate the sector. Any recovery of the agricultural sector will require the issue of land redistribution be addressed. When well planned and resourced, land redistribution has been shown to speed economic growth and improve livelihoods. The new settlements created by Zimbabwe’s haphazard land redistribution require significant assistance, through the provision of infrastructure and support services to farmers, if they are to be made functional. The
tenure for smallholders on redistributed land remains insecure and this issue that must be addressed in the post-crisis reconstruction. This chapter has also argued that the former white owners of land appropriated in the resettlement process should be compensated, and that ways in which this compensation could be channelled into kick-starting other areas of the economy need to be explored.

For land to be fully productive, particularly in the low-rainfall areas, it requires water management. The agricultural sector cannot play the role envisaged in the post-crisis period unless it is made more productive, which will require strategies to manage water use. It is therefore to this that we now turn.

Notes

1. The commercial sector then could be disaggregated into large-scale commercial (LSC) and small-scale commercial (SSC). The smallholder sector comprises communal area (CA) and resettlement farms. Within communal areas rights of individual households to the arable land they farm have been strengthening over time. Grazing land remains in communal ownership and is steadily being encroached by the expanding number of cultivators.

2. Official figures show just over 300,000 workers employed on LSC farms in the mid-1990s (Ministry of Lands and Agriculture, 1998). However, there is some dispute over these figures, not least because of an alleged shift towards hiring of casual workers within the sector. After 2000 this figure fell to less than 150,000 as the Fast Track Land Resettlement Programme took its toll on commercial farming, the largest formal employer in agriculture.

3. Arguably this was worsened by disruptions of activities within the commercial farming sectors.

4. The initial design of the then Maize Control Board was aimed at stabilising the industry and making domestic consumers subsidise producers (Muir and Takavarasha, 1988).

5. Government extension expenditure rose from 9.5 per cent of all agricultural expenditure prior to 1980 to 16.8 per cent during 1980-83.

6. This is despite the introduction of a Crop Packs Programme to aid recovery.

7. The term ‘beef cattle’ is used here to refer to all cattle that do not fall into the category of commercial dairy cattle. Under this definition, all communal cattle are classified as beef cattle, even though in practice, communal cattle are used for milk production, draught power and other uses besides the supply of beef.
CHAPTER 4: Water

4.1 Introduction

One of the key problems of agricultural development in Zimbabwe is that most of the smallholder producers rely on rain-fed agriculture to make a living. Only one growing season per year is possible in Zimbabwe along with most of Southern Africa, compared with two or three in parts of Asia. Given that most of the smallholder farmers are in drought prone areas of the country, it is clear that farm livelihoods are a high risk venture dependent on good rainfall seasons. We saw earlier that a drought is expected once ever four or five years. This implies that availability of water for agricultural use is a major limiting factor even after the land reform programme. The total potential for further irrigation development in Zimbabwe using water from Transboundary Rivers and inland dams, according to the FAO (2000) is 240,000ha. Of this about 90,000ha of this potential lies in the smallholder sector. Where available, irrigation potential transforms livelihoods possibilities and some estimates suggest internal rates of return of between 19-90 per cent when costs of drought relief foregone are included. What is clear however is that good performance depends on:

- Active farmer involvement in scheme planning and management.
- Cultivation of high value crops, such as horticultural products (some of which can be grown almost continually throughout the year).
- Existence of reasonable supporting infrastructure, especially roads, to facilitate scheme links with markets.

It is clear however that irrigation and related water harvesting technologies can offer greater opportunities for use of newly acquired land. In this section we look at water reforms and management in Zimbabwe, focusing on the provision of water for agricultural use.

This chapter examines the experiences of water reform in Zimbabwe with a view to ascertaining both its challenges and the achievements of the reform in meeting its intended objectives thus far, and the prospects for re-engaging with water reform in a post-crisis period. It argues that although the post-2000 period presented complex social, economic and political challenges to water sector reform, there were inherent limitations embedded within the concept of integrated water resources management which lie at the heart of water sector reform in Zimbabwe. It is suggested that a realistic attempt to re-engage with water reform policy aimed at improving rural livelihoods in a post-crisis Zimbabwe should be aware of ‘old’ and ‘new’ issues that undermine improved access to, and management of, water for rural livelihood improvement. The chapter concludes with some policy recommendations in light of the analysis.

4.2 Reforming access to, and control of, water resources in Zimbabwe

Although water was perhaps more inequitably distributed than land, there was little organised political agitation around inequitable access by the various agricultural users. However, repeated droughts and a realisation that having access to surface water can make a difference, meant that the late 1990s witnessed a dramatic transformation in water policy in Zimbabwe. Underlying this transformation was the adoption of the concept of ‘integrated water resources management’ (IWRM) within the national policy framework. At the core of the integrated water resources management concept was an emphasis on the management of water on the basis of hydrological boundaries (namely the catchment and sub-catchment areas), decentralisation of water management, stakeholder participation and representation in water management processes, and the treatment of water as an economic good. In combination, these four principles were viewed as providing an effective framework for water management, aimed not only at the participation of water users in processes and decision making on water, but also at poverty reduction and livelihood improvement, particularly among previously disadvantaged water users, namely communal, resettlement and small-scale farmers.

The twin objectives of the water reform were tied to the four key IWRM principles. First, starting from the premise that water must be managed on the basis of hydrological boundaries since they constitute the ‘natural’ boundaries of a river system (Newson, 1997), the ease for decentralisation was advanced. Catchment and sub-catchment areas became the bedrock upon which decentralised institutions of water management – catchment and sub-catchment councils – were constructed. Stemming from this, the case for a decentralised institutional framework for water management was drawn from the theoretical appeal of decentralisation which postulates that a more decentralised framework is more exposed, and therefore more responsive to local needs and aspirations (Crook and Sverison, 2001). As such, decentralisation was viewed as providing systems of water governance that are accountable to local people (see Crook and Manor, 1998; Manor, 1999). Added to this was the notion that decentralisation of water management provides an institutional forum for promoting participation and representation of different water users in decision making processes. Third, proponents argued that treating water as an economic good with a price attached would lead not only to the
efficient use of water but would also generate revenue necessary for financing decentralised institutions of water management, and water development more broadly.

Although Zimbabwe’s water reform reflected the embedding of the concept and principles of integrated water resources management, this was at variance with local concerns and aspirations for water sector reform. Central to local concerns was the need to ‘redress colonial injustices in the water sector’ (Matinenga, 1999; Manzunzu et al, 1999; Bolding et al, 1998) as some government officials were pointing out that ‘continued privileged access to water by commercial interests – mainly large-scale commercial agriculture – was at variance with the political dispensation of an independent Zimbabwe’. It was thus argued that there was an urgent need to reform the water sector, and establish a legal framework that ensured equal access to water for all Zimbabweans. Equitable access to water was viewed as providing a basis for rural people to gain access to water for productive uses, which would contribute to the improvement of their livelihoods.

4.3 Hydrological and historical context of water resources in Zimbabwe

There is great variation in the spatial distribution of water resources in Zimbabwe. In Chapter 1 we saw how the country divides into six agro-ecological zones according to rainfall potential. It is onto this landscape of diverse variation in water resources and agricultural potential that deprivation of water to smallholder farmers not only created a skewed distribution of land, but also an inequitable access to water. African irrigation schemes were developed with a view to promoting productive use of water in selected ‘native reserves’, on small pockets of irrigable land partly with the objective to allow the resettlement of a larger population of people whose land had been ‘alienated’ (Weinrich, 1975).

With the dual division of land, the colonial state established a legal and administrative framework that governed access to, and control of, water in favour of certain sectional interests, namely urban areas, commercial agriculture, mining and manufacturing industries (Kambudzi, 1997; Mtisi and Nicol, 2003). From the 1890s up to 1927, water was governed by a set of loosely coordinated legislation which apportioned water to a nascent urban, mining, railway and agricultural sectors. Water for agriculture was apportioned and managed under the Water Ordinance of 1913, which was repealed by the 1927 Water Act, which was, in turn, repealed by the 1976 Water Act. To this end, the 1976 Water Act became the most comprehensive piece of legislation that set the parameters of access, use and control of water from 1976 to 1997. Central to the water legislation was the denial of access to water for productive purposes to the majority of Africans.

Several key principles underlined the 1976 Water Act. Firstly, the Act set differential access to water based on the type of water one wants to gain access to, whether ‘private water’ or ‘public water’. Access to ‘private water’ was vested in the owner of the land on which it was found and its sole and exclusive use belonged to such an owner. The Act allowed the owners, lessees or occupiers of any land to construct wells and drill boresholes of which the amount of water abstracted was not controlled (cf. Matinenga, 1999). On the other hand, access to ‘public water’ was vested in the state and its use, apart from primary purposes, required that a water right be granted to the user by the Water Court. Right of access to ‘public water’ was based on prior appropriation doctrine, which meant that access is based on the date on which an appropriation to the beneficial use of water was made. Simply put, earlier applicants had the first appropriation right of access to water.

Legal access to water and associated water rights were attached to land, and were granted in perpetuity. Thus, only individuals with title deeds to land could apply for, and be granted, water rights. This included groundwater, whereby rights to water were attached to the title deed of the land on which it was found. The granting of water rights under the 1976 Water Act took cognisance of the pre-existing rights to riparian owners, which meant that each riparian owner was entitled to claim all the water which he or she could have claimed under the previous water laws. This ensured continued privileged access and rights to water for earlier applicants.

The Act empowered the Minister responsible for water to appoint a Secretary for Water Development and other officers with the authority to manage water resources within the confines of the Act. The administration of the Act was the responsibility of the Water Court, which was empowered to determine applications for the use of water, and dealt with any disputes. Institutionally, the Act put in place a decentralised water management framework through the establishment of River Boards, which were tasked with ‘regulating and supervising the operation of rights to the use of public water within an area fixed by the Minister’. The area of jurisdiction of River Boards was based on hydrological boundaries or an area defined as Intensive Conservation Areas. The main functions of River Boards entailed the day-to-day management of water, levying of rates on persons who have rights to use public water, charging fees for services rendered by the board, and administering water rights granted by the Water Court.

In addition, River Boards provided technical advice to commercial farmers on water issues and the application of water rights (Mtisi and Nicol, 2003). In terms of membership and representation, River Boards were constituted by water right holders, and as such, representation was exclusively drawn from this group. Consequently, River Boards were composed of representatives from commercial agriculture sector, town councils, manufacturing and mining industries. Placed within the colonial context, the 1976 Water Act had the attendant effects of denying the majority of Africans legal access to water for productive uses as well as excluding them from participating in the decision-making process on water. This was attained mainly through the tying of land rights and water rights, whereby rights to water were granted to landowners. Since a majority of Africans did not possess freehold title to land, the provisions of the Act prevented Africans from applying for water rights, essentially denying them a legal right to productive uses of water.

In addition, Africans were also effectively excluded from participating in any decision making on River Boards precisely because did not have land and water rights. However, the continued exclusion of Africans from River Boards post 1980 could be attributed to the government’s failure to broaden representation on River Boards, since the 1976 Water Act provided the Minister responsible for water to appoint persons interested in water management, such as a representative of a communal area, to a River Board. Despite this caveat, River Boards continued to represent commercial interests.

In applying for legal access to water, applicants were asked whether the water was going to be put to ‘beneficial use’. At the core of this question lay a prejudice against communal and
resettlement farmers precisely because the term ‘beneficial use’ was interpreted as ‘commercial use’ (Bolding, 1998; Mohamed-Katerere, 1995). It was thus inconceivable from the Water Court’s view that communal and resettlement farmers could use water ‘beneficially’ or rather ‘commercially’. Communal and resettlement farmers’ use of water was viewed as ‘wasteful’ (Bolding, 1998; Mohamed-Katerere, 1995). This situation was compounded by the Stream Bank Regulations Act of 1952, which criminalised traditional wetland cultivation despite the fact that there was no ‘scientific’ basis for the prohibitions (Scoones, 1998; Bell and Roberts, 1991). In short, the use of the term ‘beneficial use’ as a synonym for ‘commercial use’ meant that productive uses of water among communal, resettlement and small-scale farmers were not recognised.

The granting of water rights in perpetuity on the basis of the prior appropriation doctrine and in recognition of previous rights to water was also a major weakness of the 1976 Water Act. This had the attendant effect of limiting the amount of, if not effectively denying, water to latter applicants. Van der Zaag (1998) clearly illustrates this point in a study of Nyachowa catchment, where he observed that a commercial farm located on the upper end of Nyachowa valley had a first call on water and thus drew the full amount stipulated on the water right. Yet, by so doing, the commercial farmer left less water for communal irrigators at the lower end of the valley, with the effect that Nyachowa communal irrigators faced a perpetual and severe water shortage even in cases where there was not a general water shortage (van der Zaag, 1998: 171).

One of the principal features of the institutional framework established by the 1976 Water Act was the entrenchment of centralising tendencies reflected in the Water Court. All issues relating to the application of water rights and the adjudication of water disputes fell under the Water Court, which was located in Harare, the capital city. Any water user who wanted to apply for water or to seek redress in a water dispute had to travel to Harare (Manzungu, 1997). This form of centralisation militated against poor water users located in remote rural areas of the country. Water users located in distant rural areas incurred high transactional costs, in terms of the time and cost of travelling to the Water Court. It is apparent that the 1976 Water Act entrenched great inequalities to water access and the exclusion of communal, resettlement and small-scale farmers in decision making on water. By 1980 the distribution of irrigation schemes told a story of deep seated inequality, as Table 4.1 below shows.

Table 4.1: Distribution of irrigation schemes by sector.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Area under irrigation (ha)</th>
<th>% of total area under irrigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large-scale Commercial</td>
<td>98,400</td>
<td>82</td>
</tr>
<tr>
<td>State Farms</td>
<td>8,400</td>
<td>7</td>
</tr>
<tr>
<td>Outgrower Schemes</td>
<td>2,200</td>
<td>2</td>
</tr>
<tr>
<td>Smallholder</td>
<td>11,000</td>
<td>9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>120,000</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>


Of the total 120,000 hectares of irrigated land, approximately 82 per cent was on large-scale commercial farms and about 7 per cent in communal and resettlement areas. Communal smallholder farmers had access to an estimated 8,461 hectares spread across 80 irrigation schemes. Each smallholder farmer had access to between 0.1 and about 1 hectare of irrigable land. Small-scale commercial and resettlement area farmers irrigated about two per cent, while seven per cent was under state-owned irrigation estates, mainly under the management of the then Agricultural Rural Development Authority. By 2003 following the Fast Track Land Reform Programme there were an estimated 198 irrigation schemes in the smallholder (communal plus resettlement) sector.

The inequalities of access to water were largely unchanged despite the significant ‘achievements’ in land redistribution during the first 18 years of independence. Although 182,000 families were resettled between 1980 and 1998, most of these families were resettled in areas that had limited water resources. Herbst (1990) pointed out that 91% of the land purchased for resettlement in the 1980s was in areas that had limited water supply for both agriculture and domestic purposes. Consequently, this left beneficiaries with a feeling of being ‘dumped on newly acquired land’. In short, the continued inequitable access to water and land distribution from 1980 to 1998 undermined productive uses of water for agriculture for livelihood improvement among communal, resettlement and small-scale farmers and irrigators. Persistent inequalities of access to water and land, continued use of the 1976 Water Act, and increasing levels of rural poverty combined to form a potent case for water sector reform. However, this coincided with the emergence, in the 1990s, of the concept of integrated water resources management in global discourses on water management. How this shaped and defined the principles and objectives of the water reform is the focus of the next section.

4.4 Water sector reform in the 1990s

It has been established that the need for water reform emanated from two distinct concerns. One strand was partly rooted in the need to ‘redress colonial injustices in the water sector’ (Matinenga, 1999; Manzungu et al, 1999; Bolding et al, 1998). Continued privileged access to water by commercial interests, especially mainly white large-scale commercial agriculture, meant that there was an urgent need to reform the water sector and establish a legal framework that ensured equal access to water for all Zimbabweans. Equitable access to water was viewed as providing a basis for rural people to gain access to water for productive uses which would contribute to the improvement of their livelihoods.

A second strand to water reform was rooted in what can be called policy transfers, shaped especially by the global discourse of IWRM which was being actively promoted by the Global Water Partnership (GWP) in southern Africa. In essence, IWRM sought to ‘promote the coordinated development and management of water, land and related resources, in order to maximise the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems’ (GWP, 2000: 22). Arguments for adopting the concept of IWRM were founded upon an awareness of an emerging ‘water crisis’ in Zimbabwe, attributed to declines in water supply in a context of increased water demand due to population growth, increased urbanization and intensification of agriculture (Nilsson and Hammer, 1996). As such, IWRM was viewed as providing an effective and decentralised
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institutional framework for the management of competing water uses and interests, especially within a context of a perceived ‘water crisis’.

In many ways the water reform in Zimbabwe reflects the dominance and subsequent embedding of the concept of IWRM. The water reform shifted fundamental principles and approaches to water management. Firstly, the concept of ‘private water’ was abolished. Ownership of water was vested in the state. Similarly, prior appropriation doctrine and the associated practice of granting water in perpetuity were removed. Instead, access to water was granted through a water permit issued for a specific time period and subject to renewal. This provided, in principle, a mechanism for equitable allocation of water across a diverse range of water users. More importantly, the issuance of water permits was not tied to land. The changes marked a radical departure from the provisions of the 1976 Water Act. Underlying the water reform were four key principles:

• The state would own all surface and underground water. Except for primary purposes (i.e., domestic use of water) use of water would need approval by the state.

• All people with an interest in the use of water would be involved in making decisions about its use and management.

• Water would be managed by catchment areas, as rivers do not match political and administrative boundaries.

• Water would be recognised as an economic good. This was viewed as the best way of achieving efficient and fair use of water, and also encouraging conservation and protection of water resources (WRMS, n.d.; GoZ, 1998).

Within this context, the 1976 Water Act was repealed by two pieces of water legislation, namely the Water Act and the Zimbabwe National Water Authority (ZINWA) Act, both promulgated in 1998. The Water Act of 1998 set the parameters of access and use of water as well as providing for the establishment of catchment and sub-catchment areas based on hydrological boundaries. Catchment and sub-catchment areas formed the basis for water management. In this vein, seven catchment areas were established, as shown in Figure 4.1.

The creation of catchment and sub-catchment areas led to the introduction of catchment and sub-catchment councils respectively. Broadly, catchment councils (CCs) are composed of elected representatives, mainly chairpersons and vice-chairpersons, of sub-catchment councils. Catchment councils also include the catchment manager, and any other identified stakeholders.

The key functions of CCs include, preparing catchment outline plans for their respective area, determining applications and granting water permits, regulating and supervising the use of water, and supervising the performance of functions of sub-catchment councils (Water Act, 1998). CCs also serve as a forum for decision making for water users, represented by elected sub-catchment council officials.

Figure 4.1: Catchments in Zimbabwe.
Below the CC, there are sub-catchment councils, which are constituted by elected representatives from diverse water user groups, which include commercial, communal, small-scale and resettlement farming sectors, local authorities, traditional leaders, and mining and manufacturing sectors. The main functions of a sub-catchment council include:

• regulating and supervising the exercising of permits for the use of water within their area of jurisdiction;
• collecting sub-catchment rates, fees and levies;
• reporting as required to the CC on the exercising of water permits in their area; and
• participating in planning on water.

Sub-catchment councils also serve as a platform for local level participation in water management.

The ZINWA Act of 1998, created the Zimbabwe National Water Authority (ZINWA), a ‘parastatal’ tasked with the responsibility of providing a coordinated framework for planning, development and management of water resources. Additionally, ZINWA took over the commercial functions associated with water provision which were previously performed by the Department of Water Development. The functions of ZINWA vary depending on the level at which it is operating. At national level, ZINWA advises the Minister responsible for water on formulation of national policies, water pricing, water resource development and management. At catchment level, ZINWA’s role includes ensuring the catchment council discharge its functions in accordance with the Water Act, and assisting catchment councils in planning and coordinating water development and management within a catchment area. Also, ZINWA has exclusive responsibility for selling, supplying and management of ‘agreement water’ – i.e. water behind dams which were previously owned by the government.

ZINWA, through the catchment manager, has the responsibility to provide technical assistance to the catchment council on water issues. According to the Water Act of 1998, the role of the catchment manager also includes the day-to-day management and administration of the affairs of the CC. In performing these functions, the catchment manager acts on the advice of, and in consultation with, the CC and ZINWA officials at national level.

At sub-catchment level, ZINWA sub-offices provide technical assistance as well as advice to sub-catchment council in carrying out its duty relating to water resources supply, development and management. Specifically, ZINWA sub-offices are legally mandated to:

• encourage and assist sub-catchment councils to discharge their functions in accordance with the Water Act;
• operate and maintain any water works owned by the Authority and to sell water therefrom.

The institutional structure of ZINWA is not necessarily tied to the hydrological boundaries of the catchment area, but extends from the sub-catchment area to the national level. ZINWA functions include technical assistance, the selling of ‘agreement water’, maintenance and management of former government owned dams, and advising the Minister responsible for water. The following section examines how the reform process has affected how water is accessed by the different stakeholders and assesses some of the emerging bottlenecks.

**De-linking access to water from the ownership of land**

One of the key aspects of the water reform was to open up access to water for all water users, particularly ‘new’ water users (i.e., communal and resettlement farmers). In the past, water was accessible only to commercial interests, namely agriculture, mining and manufacturing industries, and was tied to land. The introduction of water permits and contracts that are not legally tied to land, has provided a basis for broad-based access to water. Furthermore, completed water permit application forms and signed ‘agreement water’ contracts are submitted to the local sub-catchment council office and ZINWA sub-office respectively. This represents a significant achievement of the water reform as it has untied land and water and devolved the responsibility for water application from the Water Court in Harare to local sub-offices.

However, there are significant costs associated with the application of a water permit, as application forms have to be bought and an application fee paid. In addition, completing a water permit application form demands a level of technical knowledge that ‘new’ water users may not possess. For instance, an applicant must indicate the amount of water in megalitres per second that one intends to extract. This is rarely common technical knowledge among communal and resettlement farmers.

**Multiple institutional routes of access to water**

Institutional access to water depends on the type of water an individual wants to obtain. For surface and ground water, a water user goes to the sub-catchment council, while for ‘agreement water’ an individual goes to the ZINWA sub-office. Although the classification of water and division of institutional roles suggests a neat institutional design, the reality is rather complex. There are contradictory and parallel institutional processes at play within the water reform, to the extent that the process undermined the objectives of the reform.

Recent work suggests that some water users were not aware of the institutions to consult over their water needs. This means that for some users the classification of water into raw and agreement water and the establishment of two distinct institutions for water management has created a complex institutional environment for water access. Consequently, water users were finding it ‘confusing’ to gain access to water as they are referred from one institution to another. This is made worse in cases where there is a lack of coordination between ZINWA and the catchment councils in performing their respective functions, since ZINWA officials often fail to attend catchment council meetings. Underlying the lack of coordination between the two decentralised institutions of water management are the parallel lines of institutional responsibility and accountability in water management. Since ZINWA officials report to the irrigation officer at catchment level, and are accountable to the Irrigation Office and not the CC, there exists little or no coordination in local level water management.

**Recentralisation of water management**

While the water reform was aimed at empowering water users in the decision-making process on water through elected catchment council officials, the central role that the catchment manager plays undermines the participatory nature of the CC. Since the water legislation vests decision making powers in the Catchment Manager rather than the CC, it can be argued that the current water legislation provides the legal basis for the disenfranchisement of water users.
and their elected representatives by placing decision making powers outside the realm of democratic control. Furthermore, due to the powers that a Minister of Water can exercise over the catchment manager, and the fact that the catchment manager is upwardly accountable to ZINWA head office, it can be argued that the water legislation provided a basis for the centralisation of power and authority on water management.

**Participation: issues and challenges**

The water reform introduced radical changes regarding the participation and representation of water users in the management of water. By identifying a broad range of water users as stakeholders in water management, the 1998 Water Act provided a legal basis for the representation and participation of previously excluded water users, namely communal, resettlement and small-scale commercial farmers. The new politics of inclusiveness and participation, at least stated formally, has encouraged local level participation in water management at the sub-catchment council level.

Yet, the participation and representation of new water users has been fraught with problems. Participation at sub-catchment level is often stacked against new water users who lack financial resources to travel to attend sub-catchment council meetings. Identification and classification of water user groups from which representatives are elected to the sub-catchment council is problematic, in spite of what the Water Act of 1998 provides for. For example, the act provides for inclusion of ‘communal farmers’ as a disparate group of water users. Even the local level water committees in communal areas barely function and most are formed around ground water resources that barely get mentioned at catchment meetings.

In cases where communal areas have irrigation schemes, representation at catchment level is organised under the aegis of the Irrigation Management Committees. However, these do not extend beyond the irrigation schemes which they are established for. Therefore, there is no sub-catchment wide organisation of, and for, communal irrigators from which to elect a representative to the sub-catchment council. In reality ‘representatives’ of the communal irrigation sector who sit on the sub-catchment council are elected representatives of their particular schemes and not of the sector as a whole. By extension, they represent the interests and concerns of the particular irrigation scheme to which they belong.

Genuine participation in water management can only occur when water users and their representatives are informed and knowledgeable about the water reform. Yet, new water users have little knowledge about the reforms and the legislation that set the parameters for their participation. As such, a lack of knowledge about the water reform makes it difficult for new water users to participate effectively and make informed decisions on water management processes at sub-catchment level.

**4.5 Conclusions and recommendations**

The thrust of this section is not to dispute the merits of Zimbabwe’s water reform in improving access to water for previously disadvantaged water users and providing both a decentralised framework for water management and possibilities for positive livelihood outcomes. Rather, it is to point out the contradictions embedded in the current water reform, and then to suggest how the water policy can be improved so that it can better contribute to participatory processes in water management, poverty alleviation and the improvement of rural livelihoods. As such, this section will first draw conclusions on the basis of the evidence presented, and then suggest recommendations emanating from specific findings.

Secondly, a broader set of recommendations will be suggested premised upon a broad understanding of the implications of the water reform policy.

Of crucial importance to note in Zimbabwe’s water reform is that, while the water reform was built around neo-liberal principles couched within the concept of IWRM, the implementation coincided with a radical transformation in state governance, partly as a consequence of strong political opposition to the ruling ZANU (PF), and the implementation of the Fast Track Land Reform programme. Such developments from 2000 onwards, provided a challenging context for the water reform, not least because the transformation of the state and the narratives that informed the Fast Track Land Reform, were anachronistic to the neo-liberal approaches embedded in the water reform. Consequently, policy recommendations suggested in this section take into account the intrinsic limitations of the underlying principles of the water reform itself, as well as the challenging political and socio-economic context within which the water reform was implemented.

The analysis in the previous sections has shown that the water reform was mainly driven by the global IWRM discourse, which has principally shaped the water reform policy in Zimbabwe. This was achieved at the expense of local historical grievances. Therefore, it can be concluded that the proponents of IWRM paid insufficient attention to the historical and political dimensions of water resources in Zimbabwe. Broadly, the historical construction of communal areas (the then ‘native reserves’) and communal irrigation schemes in marginal agro-ecological areas, characterised by limited water resources, poor soils, drought proneness, high population densities and degraded environmental conditions – features acquired during the colonial period – are still what define rural areas, and their access to water for productive agriculture.
Within this context, the water reform was implemented and overlaid on top of an underlying maze of unequal water access rights and a skewed distribution of land, to the extent that the reform continued to provide privileged access to water to users who already enjoyed better access to water and land. As such, the water reform provided limited possibilities for increased productive uses of water for new water users residing in communal and resettlement areas.

Stemming from the above findings, this chapter contends that any attempt to reform the water sector with a view to improving productive uses of water in rural areas, must confront the historical legacy of inequalities of access to land and water, which have perpetuated under the current Fast Track Land Reform. Therefore, it can be justifiably suggested that a post-crisis water reform policy, must first seek to adapt the concept of IWRM to the local context, and promote aspects of the concept which articulate with local struggles for improved access to, and control of, water resources for livelihood improvement. One way of attaining this is to promote wide-scale, long-term participation of all citizens in the debate about the water reform, its principles and objectives. This will also entail seeking policy suggestions from all stakeholders, particularly the poor, on how water policy can be improved. Such an approach will break the stranglehold that the government and donors have on the water policy-making process.

In keeping with the need to adapt IWRM to the Zimbabwean context, this paper suggests that the water reform must be linked, in innovative ways, with a land reform programme, which is aimed at providing access to productive land to rural people for livelihood improvement. It is with the combined access to productive land and water that water can be productively used to alleviate poverty and contribute to economic growth.

In a corollary to this, it can also be stated that although access to fertile land is crucial to productive uses of water, new water users need access to a broad portfolio of other assets central to the productive use of water. These include, among many others, functioning irrigation technology and infrastructure. Evidence from communal irrigators in Lower Save East sub-catchment has shown that a dilapidated irrigation infrastructure and malfunctioning boreholes underlie a lack of access to water for irrigation. A post-crisis water reform policy may need to have a broad conceptualisation of access to water that covers technological problems affecting the smallholder irrigation sector, and new water users more generally. Accordingly, a new water policy should focus on various issues related to irrigation technology, such as the development, provision and maintenance of relevant low-cost irrigation technology to communal farmers.

One of the key aspects of the water reform has been the creation of parallel institutional processes of water management, which are often contradictory to each other. Although ZINWA institutions provide technical assistance and advice to catchment and sub-catchment council, they are under effective government control and represent a ‘deconcentrated’ system of water governance. On the other hand, catchment and sub-catchment councils are constituted by popularly elected representatives and represent the democratic aspect of the water management. Yet, analysis in previous sections has shown that ZINWA undermines decision making at catchment level, and the viability of sub-catchment councils in sub-catchment areas that predominantly rely on agreement water. Further, the separation between technical and participatory aspects of water management, which lie at the heart of the parallel institutional process, have resulted in the compartmentalisation of water services, which does not augur well for livelihood improvement goals.

Perhaps one way of resolving the contradictions and parallel processes that are embedded in the water reform is to better integrate the functions of ZINWA catchment officials and catchment council representatives. Rather than the catchment manager being wholly accountable to ZINWA national office, it may be better if the institutional structure is reformed in such a way that the catchment manager is accountable to catchment councils, and, by extension, to the local constituency of water users.

Similarly, officials from ZINWA sub-offices should be held accountable to their local sub-catchment council and an array of water users. This can be achieved by reforming the water legislation which provides the basis for the establishment of two parallel institutional processes. In addition, the legislative reform during a post-crisis recovery period may also be conducted with the view to empowering catchment and sub-catchment councils in decision-making processes on water, and thus repeal the current provisions of the Water Act and ZINWA Act which systematically eviscerate the democratic content of local level water management.

The integration of ZINWA and catchment and sub-catchment councils can be complemented by the restructuring of ZINWA at national level. The restructuring may entail reducing the influence that the Minister responsible for water has directly on ZINWA itself, and indirectly through the powers he or she wields in appointing ZINWA board members. While the important role of the state in water resources development and management through ZINWA is acknowledged as vital, this report argues against the use, or rather abuse, of the government’s role in the water sector for political mileage. In short, this report recommends that ZINWA must be restructured to limit the dominance of the Ministry of Water Resources, and the increased role of catchment councils in water policy issues at ZINWA national level.

One major issue is the politicisation of access to and management of water, partly as a result of the politics that surrounded Fast Track Land Reform. The dominant political narrative that accompanied Fast Track Land Reform had the effect of overt politicisation of access to water, with local political organisations of A2 farmers using ‘new’ institutional routes of water management, by-passing decentralised institutions of water management, and thereby undermining the effective functioning of ZINWA, catchment and sub-catchment councils. Yet on the other hand, and regardless of the adverse effects such politicisation had on water reforms, this may provide opportunities for holding decentralised institutions of water management accountable to water users, and for providing voice to water users, as well as aligning politics and water policy.

Fostering greater cooperation and coordination between ministries responsible for land, water and agriculture may precipitate coherence in policy processes and achieve positive livelihood outcomes. At the local level, this may provide a basis for institutional linkages between institutions representing ‘new farmers’ with those of local level water governance (i.e., ZINWA, catchment and sub-catchment councils), and, to a certain extent, land governance. For the post-crisis water reform policy, local level institutions of water management must be dynamic and flexible enough to engage and incorporate these new institutions representing ‘new farmers’, but
also robust enough to ensure that there is effective communication and debate on water issues.

With reference to the water user pays principle, the findings in this chapter have indicated that classification of raw and agreement water and the associated responsibilities for the collection of water fees, has led to contestation between ZINWA sub-offices and the sub-catchment council in Lower Save East sub-catchment, and has adversely affected the sub-catchment council. Although there are merits in the distinction between raw and agreement water fees, this report suggests that in sub-catchment areas which predominantly have agreement water, sub-catchment councils should be able to obtain a certain percentage of the agreement fees, so that they will be able to fund their administrative and participatory functions.

Given that the treatment of water as an economic good was aimed at raising revenue partly for water development, this chapter suggests that one way of re-engaging with this principle in a post-crisis water reform policy is to seek ways of using locally-generated revenues for specific water development programmes. As currently conceived, water charges appear as government-driven ‘water taxes’ extracted from local water users for government coffers. This remains the case despite the existence of the Water Fund and Public Sector Investment Programme, which, in principle, were aimed at using part of the revenue collected locally to fund local water development programmes. A post-crisis water reform policy can provide greater local control of water charges by catchment and sub-catchment councils aimed at local level water development. Revenue raised could also be used in funding water development projects and repair and maintenance of irrigation infrastructure within communal irrigation schemes.

However, this chapter acknowledges that local control of revenue can only exist in sub-catchment areas with significant water development and a significant number of water users actively using water for irrigation. In sub-catchment areas where there is little water development, government and other actors (e.g., the private sector, NGOs and other development agencies) should be active in funding water development since there might be inadequate local revenue to fund such activities.

Broadly, it is recommended that there is a need for sequencing and prioritisation of policy issues within the water sector. The current IWRM-based water reform seems to place more emphasis on water management at the expense of water development. Therefore, a future water policy in Zimbabwe must, first and foremost, prioritise water and irrigation development in communal, small-scale commercial and resettlement areas – both new and old schemes. Such water and irrigation development can be conducted by private, public and non-governmental organisations.

Moreover, the development of, and improved access to, markets for irrigated produce should lie at the core of a reformed water policy. Although this falls outside the scope of this chapter, it is pertinent to state that markets play a crucial role in poverty alleviation and rural livelihood improvement as they provide an arena in which agricultural produce is traded and different services to the water sector are provided. Given the long history of limited engagement with markets among communal, small-scale commercial and resettlement farmers, and the related differentiation of access to markets among new water users, there may be the need for the government, private sector and NGOs to actively intervene and promote the engagement of new water users with markets, in ways that encourage genuine pro-poor market approaches to socio-economic development.

In sum, it is apparent that there were challenges and opportunities in Zimbabwe’s water reform, some embedded within the IWRM concept, while others were linked to the post-2000 economic and political developments. By identifying these challenges, it is hoped that the analysis in this report contributes to an understanding of the opportunities and challenges for re-engagement with the water reform policy in a post-crisis recovery period.

Notes
1. Based on a review of ten smallholder irrigation schemes, five of which were performing well and five badly, (FAO, 2000).
2. Interview with an official of the Ministry of Water Resources and Infrastructural Development, 1 February 2006.
5. Section 70, Water Act No. 41 of 1976.
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CHAPTER 5: Environment and development

5.1 Environment and development issues in Zimbabwe, since 2000 and beyond

The current state of Zimbabwe’s environment is not known, as the last State of the Environment Report was published in 1998. As per international obligations, Zimbabwe started preparations for its five-yearly State of the Environment Report for 1998 to 2004 by contracting teams of consultants, with funding from the United Nations Development Programme (UNDP) to draft the individual chapters. Draft chapters were produced in 2005, but these have not yet been finalised. What is known however is that by the time the crisis emerged in 2000, Zimbabwe had made commendable progress in resolving some of the major tensions between the need to develop the country and care for the environment. In 1980 the country had inherited environmental policies that gave privileged access to natural resources to certain groups and sectors while penalising others. Rural communities in communal lands were criminalised for consumptive utilisation of certain natural goods by a state that sought to protect the environment from people rather than promoting sustainable use. Most of the interventions to protect the environment targeted livelihood pursuits, especially farming, mining, forestry and wildlife within communal lands.

Since the interventions were seen as interfering with how people already living in marginal environments made a living, they were often resented even though they were meant to benefit the inhabitants of communal areas. Some of the legislation was so restrictive that if the state had attempted to enforce some elements, most of the people in communal areas would have fallen foul of the law. The cost of looking after the environment in this way was clearly unsustainable and up to a point the approach did not meet the development aspirations of those who lived with nature, nor the environmental protection desired by all. After some initial continuity, in the mid 1980s, the post-colonial state sought to shift its approach to the way it dealt with environment issues. The first coherent response came in the form of a Natural Resources Strategy paper supported by the International Union for Conservation of Nature as part of multi-country initiatives in the region. Although never formally presented to parliament it gave a reference point to all on matters to do with natural resources and laid the foundation for further initiatives. Key among these are the emergence of community conservation in the late 1980s and production of Zimbabwe’s take on sustainable development presented to the UN Conference on Environment and Development (UNCED) in 1992. It was Zimbabwe’s response to the UNCED conference that perhaps produced the first coherent response to the environmental challenges. In the following sections we look at the environmental and development issues with a focus on how the crisis affected the progress that had been made in some of the local initiatives. We also then consider institutional policy and institutional changes and some of the ways to restore the balance that had begun to be realised when the crisis started. Consideration is given to the policy and institutional framework before the crisis.

5.2 Zimbabwe’s environmental policy and institutional framework

The country still has no official policy document that outlines the agreed broader intentions and aspirations on the environment. In 2003-04, the Ministry of Environment and Tourism, in collaboration with the Institute for Environmental Studies, developed a draft environmental policy through wide stakeholder participation and consultations at all levels, including community level, and also with different sectors and interest groups, such as industry and resettled war veterans. The draft policy is comprehensive, covering: maintaining environmental integrity; social and economic issues; environmental management; organisational responsibilities and institutional arrangements; and financing mechanisms. The vision of the policy is to alleviate poverty and improve the quality of life of the people of Zimbabwe and it acknowledges the necessity to ensure the sustainability of benefits arising from use of the environment. Although drafted in 2004, the policy has not yet been officially adopted or launched. While it was approved by a cabinet sub-committee almost a year ago, it still needs to be approved by full Cabinet and has still not been presented to Parliament for adoption. In the meantime, the Ministry of Environment and Tourism has adopted it in anticipation of official endorsement. While this has been going on, there were other areas of progress, especially with respect to Environmental Impact Assessment Policy and harmonisation of environmental laws.

Although a policy since the 1990s, the Environmental Impact Assessment (EIA) became a legal requirement under the Environmental Management Act. Clause 97 of the Act states that no person shall carry out any project which affects the environment without first having submitted an environmental impact assessment prospectus and carrying out a full EIA if required. Under the Act, periodic environmental audits of these projects are to be carried out to ensure compliance. Furthermore, Clause 96 of the Act requires that environmental management plans be developed and submitted by ‘… any government agency, person or class of persons that exercises functions, or engages in operations, which may affect the environment or which involve the management
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of the environment’. Interestingly, the opening up of agricultural land and agricultural activities is not included in the schedule of projects requiring EIAs, although it did appear in earlier drafts of the Environmental Management Bill. Irrespective of this strong legislation, implementation was often seen as weak, inadequate and ineffective, worse so during the crisis. Compliance is low, as monitoring is almost non-existent and environmental protection efforts are sporadic and unsustained.

One of the major outcomes of the UNCED-inspired law reform programme in the 1990s was the Environmental Management Act (Chapter 20: 27) passed by Parliament in 2002 and which came into force in March 2003. The purpose of the Act is to provide for the sustainable management of natural resources and protection of the environment and the prevention of pollution and environmental degradation. The Environmental Management Act consolidates fragmented environmental policies and issues under one piece of legislation and institution, and provides guiding principles for the management of the environment. These principles embraced most aspects of sustainable development including: responsibility to protect the environment for the benefit of present and future generations; an integrated approach to the management of the environment; recognition of the importance of placing people and their needs first; promotion of the participation of all interested and affected parties in environmental governance; and that development must be socially, environmentally and economically sustainable. The Environmental Management Act is generally regarded to be a sound, powerful and progressive piece of legislation. However, implementation has been weak due to lack of financial and human resources and commitment.

The whole EIA process is considered flawed and, according to an EIA consultant, characterised by ‘corruption, cronyism and shocking quality of EIA reports which are often compiled from a desk study using cut-and-paste’. Statutory Instrument S1007 of 2007: EIA and Ecosystems Protection, was developed without any stakeholder consultation and contains loopholes, including unclear criteria for accreditation of EIA companies by the Environmental Management Agency. In terms of S1007, consultants are required to have knowledge of the environment, but the level of this knowledge is not specified. There is a need for standardisation of approved EIA companies that are recognised by the Agency so as to maintain quality and professionalism. Several stakeholders cited a conflict of interests between developers who commission EIAs, consultants who carry out the EIAs and produce reports, and officers who are responsible for reviewing, approving and monitoring. These sentiments are corroborated by Chitotombe (2007), who indicates that some Environmental Management Agency officers are thought to be carrying out EIA studies for clients. More education and awareness on the concept of environmental management and protection is needed by all stakeholders, so that compliance is viewed as a positive contribution, not only to enhance environmental quality but also so that greener production can result in higher profits and better social conditions. The achievement by companies of the ‘triple bottom line’, namely economic, social and environmental sustainability, should be promoted, where the Environmental Management Agency is regarded as a partner in economic development rather than a watchdog. There is an international shift away from depending on EIAs as an environmental management tool towards a more strategic approach which incorporates larger scales and cumulative effects, rather than the focus on individual projects. Clearly, even before the crisis the state faced challenges in implementing some well-intentioned policies.

Environmental management institutions

The Ministry of Environment and Tourism is the lead ministry for the development and implementation of environmental policy, and mandated to coordinate all other ministries and agencies on environmental matters. The policy-making and coordinating unit for the Ministry is relatively small, usually under-staffed with a myriad of environmental issues to deal with, including international obligations. Keeley and Scoones (2000: 17) noted that ‘half the ministry is gone for half the year dealing with the environmental protocols and treaties’. Generally national level policy makers are often too busy to reflect and learn from experiences on the ground. The mandate for the Ministry of Environment and Tourism is executed via its departments and para-statals, namely the Environmental Management Agency, the Parks and Wildlife Management Authority, the Forestry Commission, and the Zimbabwe Tourism Authority. Although the Ministry of Environment and Tourism has a coordination role regarding environmental issues, in practice, there is little collaboration between sectors.

The Department of Natural Resources was transformed into the Environmental Management Agency, a para-statal, in January 2007, five years after the passing of the Environmental Management Act under which the transformation was directed. The newly formed Environmental Management Agency has offices at provincial and district levels, but representation by one or two officers in each district is deemed inadequate. Furthermore, in most districts the Agency does not have vehicles and the situation has further deteriorated due to unavailability of fuel and spare parts. Being launched in the middle of a full blown crisis meant that the Agency has not yet been able to achieve its potential as an independent, self-financing, professional, dynamic environmental management and protection agency. Salaries and other incentives are very low, making officers vulnerable to corruption, and there is a high staff turnover, particularly of recently recruited young graduates who quickly become disillusioned. Furthermore, the Agency, similar to other government institutions, is losing experienced qualified staff, creating not only a vacuum, but loss of institutional memory as well.

At the district level, environmental management is the responsibility of the district councils, through their District Development Committees comprised of elected leaders and technical officers from line ministries. The district councils are empowered to make by-laws, including environmental regulations. Revamping existing by-laws and developing new ones in conjunction with local communities could provide a useful tool for enhancing environmental management in the post-crisis reconstruction period. However, at present district councils lack power and resources, and have unfunded mandates. This encourages predatory tendencies whereby revenue from local resources, such as wildlife, has been captured by the councils rather than benefiting local communities. The Traditional Leaders Act of 1999 added more ambiguity to the situation as it re-empowered traditional leaders, and made the village assembly or its headman responsible for the management of local resources and their use. Headmen are charged with the
enforcement of all environmental planning and conservation by-laws on behalf of the chief, the district councils and the state.

**Local environment and development non-governmental organisations**

Zimbabwe has a number of environment and development programmes being spearheaded by NGOs, such as Environment Africa, Southern Alliance for Indigenous Resources, Communal Areas Management Programme For Indigenous Resources (CAMPFIRE) Association, Africa 2000, Zambezi Society and Wildlife and Environment Society that continue to be active despite the current crisis and its accompanying challenges, including draconian restrictive legislation. These NGOs work mainly in the districts at local level and have adapted their operations to suit local conditions. Often, environmental components are off-shoots of poverty reduction and livelihoods programmes. As one environmental NGO director put it, ‘We concentrate on food and livelihoods first and then environment comes later as a spin-off of our work’. The environmental NGOs partner district councils and government environmental agencies, such as the Forestry Commission, AREX, the Environmental Management Agency and Parks and Wildlife Authority. Environmental NGOs have a variety of community programmes, including recycling, tree nurseries, natural product enterprises, herb and nutrition gardens and training, and capacity building. Some local environmental NGOs are partnering with schools and colleges to spearhead environmental awareness and environmental education. For example, as part of their holistic approach to sustainable development, Environment Africa has initiated and supported for more than ten years the Policy and Environmental Management for Schools programme. In the following section we consider how Zimbabwe has engaged with the international environment agenda before looking at the local initiatives.

**International sustainable development initiatives and the crisis**

Zimbabwe participates in the international sustainable development arena and has espoused a number of internationally-inspired initiatives which come with funding and support. However, despite this long and close relationship at policy level that saw, for example, the Zimbabwean Minister of Environment and Tourism being elected chair of the United Nations Commission on Sustainable Development, nothing substantial or sustainable has materialised on the ground. Local-level natural resource managers have benefited little if at all from the various international initiatives. On the other hand, locally-inspired environment and development programmes have proved to be more effective. For example, institutions created through CAMPFIRE, considered one of the pioneer initiatives in the devolution process, remain resilient even amid current challenges.

**The World Summit on Sustainable Development (WSSD)**

Zimbabwe's Ministry of Environment and Tourism prepared a Report to the World Summit on Sustainable Development (WSSD) in Johannesburg in 2002 detailing Zimbabwe's progress since the UNCED Rio Earth Summit of 1992. After WSSD, through extensive consultation and funding from UNDP, a national response to the Johannesburg Plan of Implementation was prepared. Multi-sectoral stakeholders at national, provincial and district levels prioritised key issues and challenges for sustainable development. The culmination of this consultation process was a draft national action plan for sustainable development, which pays particular attention to integrated land management as the key to addressing poverty in Zimbabwe (Mutepefa and Marongwe, 2005). Copies of the national plan have been distributed to all provinces, but due to lack of funds it has not been implemented and has subsequently been shelved. Recent enquiries revealed that the WSSD has been largely forgotten by local implementers. On a policy level, the WSSD strategies have been replaced by a newer sustainable development initiative, namely the Environment and Energy Programme which is being implemented with funding from UNDP. The various components of this programme include water pricing, renewable energy and water and land issues. In addition to UNCED’s Agenda 21 and WSSD, Zimbabwe also participates in a plethora of other international environment and development initiatives such as the Framework Convention on Climate Change, the Convention to Combat Desertification and the Convention on Biological Diversity. Often these programmes are parallel processes, with different funders and conditionalities, and any interface between the emerging processes and initiatives is usually lacking. An opportunity for Zimbabwe’s environment sector would be harmonisation of these international initiatives so as to avoid duplication and to maximise benefits for nationally identified priorities.

**Millennium Development Goals**

Zimbabwe has also adopted the MDGs as a planning framework for a strategy to achieve sustainable development. The initiative is being spearheaded by the Ministry of Labour and Social Welfare. National time-bound targets and indicators for the eight goals were set through a consultative process. Zimbabwe’s priorities under MDG One: Eradicate Poverty and Hunger, include the need to consolidate land reform into agrarian reform that embraces issues of productive resources, provision of inputs, market access and infrastructure. However, little progress has been made on Goal One in reducing poverty. On MDG Seven: Ensuring Environmental Sustainability, again not much progress has been made due to the lack of capacity to gather data and limited statistical tracking of environmental data due to weak technical and financial resources (Mutepefa and Marongwe, 2005). A number of other assessments and studies, including satellite imagery, indicate land degradation is accelerating, particularly through deforestation and loss of biomass. According to Yale University’s 2008 environmental performance index, which ranks 149 countries according to a weighting of carbon and sulphur emissions, water purity and conservation practices, Zimbabwe was positioned at 95, thus highlighting the bleak state of the environment in the country.

**Trans-boundary natural resource management**

Trans-boundary natural resource management is a process of cooperation across national boundaries that aims to enhance the management of shared or adjacent natural resources to the benefit of all parties in the area. In reality, local people have generally been left out of the planning processes. There has been a massive channelling of funds into trans-boundary natural resource management initiatives in the southern African region by a variety of donors, notably the World Bank, United States Agency for International Development (USAID) and the German Development Bank. Zimbabwe is involved in a number of trans-
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boundary initiatives with its neighbours and is a signatory to the Great Limpopo Trans-frontier Park which covers Gonarezhou National Park in Zimbabwe, Kruger in South Africa and Limpopo, Zinave and Bahuine Parks in Mozambique. Whereas there may be positive environmental gains from these trans-boundary developments, there are many unresolved issues of sovereignty and national security, immigration and customs controls, veterinary concerns, land tenure, and whether participation by local people will really be equitable and beneficial in the long term. The trans-boundary nature of these initiatives provides a regional rather than national focus and thus with the onset of the crisis in Zimbabwe, allowed donors to channel money into the region that they were politically unable or unwilling to give to Zimbabwe alone (Wolmer, 2003). Nevertheless, overall Zimbabwe’s continuing political isolation and accelerated land reform have disadvantaged its access to international funding for developments in the Zimbabwean region of the trans-frontier parks. This has tended to sideline Zimbabwe’s participation and potential benefits from trans-boundary initiatives, while Mozambique and South Africa appear to be pursuing a more bi-lateral agenda. Kruger, which was rapidly approaching saturation, is seen as being in a better position to benefit economically, at the expense of its partners. South Africa, along with international donors, is perceived to be the main driver of the Great Limpopo Trans-frontier Park (Wolmer, 2003).

5.3 Local sustainable development initiatives and the crisis

Communal Areas Management Programme for Indigenous Resources (CAMPFIRE)

Over the years, Zimbabwe has been a leader in devolution of authority over wildlife and other natural resources, which has increased economic opportunities for the rural poor. CAMPFIRE, implemented in Zimbabwe since the late 1980s, is an innovative community-based rural development and conservation programme which has resulted in sustainable use of natural resources and biodiversity conservation and has also contributed to poverty alleviation for marginalised rural people. The primary methodology used in CAMPFIRE is through promoting local community proprietorship and management of natural resources on communal land as an environmentally sustainable development strategy. However, this philosophy is not always appreciated by local people who live in CAMPFIRE areas, as they view CAMPFIRE as ‘merely another means of enforcing unpopular natural resources conservation legislation’ (Wolmer et al., 2003: 5).

In the 1990s, CAMPFIRE experienced growth and progress. However, since 2003, CAMPFIRE has been characterised by a cessation of major funding from the principal funder, USAID, and the termination of NGO support, which coincided with larger macro-level policy changes in Zimbabwe after 2000 and subsequent adverse socio-economic conditions. Generally, small-scale, communally managed ecotourism projects dependent on a strong foreign clientele have collapsed, whilst safari hunting involving the ‘big five’, namely elephant, buffalo, lion, leopard and rhinoceros, has not, although operations with only plains game are currently unsuccessful. Furthermore, CAMPFIRE remains disengaged from other national and global processes and is marginalised as a development approach. It has also failed to broaden its narrow focus on large mammals to successfully incorporate other resources such as forests and minerals. Despite these problems and setbacks, CAMPFIRE has proved to be resilient and continues to be a significant player in environment and development issues in Zimbabwe, as shown by the revenues accruing from CAMPFIRE projects in Table 5.1. The majority of the revenue is from wildlife and hunting ventures.

Those CAMPFIRE programmes that did not collapse with the withdrawal of external funding, primarily those with hunting operations, have flourished as new methods of benefit sharing have been developed, such as revolving funds and direct payment systems. Some current CAMPFIRE initiatives are the safari hunting model in Mahenye and Mutandahwe wards, Chipinge; joint ventures in crocodile farming in Chiredzi, Mbire and Nyaminini districts; and the Gairezi Community Tourism project in Nyanga, which produced nearly US$7,000 in 2006. CAMPFIRE is still contributing to combating poverty in some areas through: incomes and job creation; empowerment; assets, security and future options; and diversification of livelihood activities.

One important development has been the ability of CAMPFIRE projects to overcome the fundamental challenge that arose from the fact that authority over natural resources has only been devolved from the central government to rural district council level, through the formation of mechanisms such as community trusts and direct payment systems. Some rural district councils have supported the establishment of community trusts, which are legal instruments that have direct control over the management, utilisation and benefits of natural resources. There are over 17 community trusts that have been established for non-wildlife natural resource ventures.

High levels of taxation imposed on producer communities by rural district councils led to some wards (village collectives) negotiating directly with safari operators and other private sector partners for direct payments of hunting and ecotourism revenues. Under this direct payment system, the 55 per cent of revenue allocated directly to producer wards, rather than the rural district council, is used for ward-level management costs, ward projects, household dividends or a revolving fund. Such engagement has seen a dramatic increase in revenue earnings through direct payments to at least one community, Masoka Ward in Guruve District of the Zambezi valley (Murphree and Taylor, 2008). Revenues paid to

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<th>Year</th>
<th>1998</th>
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<td>Revenue (000s US$)</td>
<td>1,800</td>
<td>2,750</td>
<td>2,100</td>
<td>2,400</td>
<td>4,600</td>
<td>2,750</td>
<td>1,450</td>
<td>750</td>
<td>2,600</td>
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Source: Adapted from Jonga, 2008.
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Masoka had dropped from over US$100,000 in 2000 to less than US$25,000 in 2005. Then, influenced by the direct payment system, revenues shot up to over US$130,000 in 2006 (Murphree and Taylor, 2008). The direct payment system has now been formally adopted by the CAMPFIRE Association.

Generally, cash income from CAMPFIRE is not significant at household level, but can be substantial at community level. However, community infrastructure development and social services are principally a responsibility of governments. In an attempt to benefit individuals or groups, the revolving fund mechanism has been developed. This adds value to the direct payment system of wildlife revenue by allowing for provision of loans for the purpose of establishing viable income-generating projects. The revolving fund mechanism has been adopted in Masoka Ward and roll-out began in June 2008 (Jonga, 2008). Up to 2000, Mahenye CAMPFIRE project in Chipinge District was frequently cited as a successful model, both from its stable and participatory governing institutions and its diversification of revenue sources. However, research by Balint (2006) found that by 2004 the project performance had deteriorated sharply from previously reported conditions. Villagers were receiving annual income from the project of less than US$1, community infrastructure improvements had stalled and leadership institutions were no longer accountable. Community confidence in the project had collapsed and residents were bitter and disillusioned. This situation was attributed to the cessation of major international funding and the ongoing political crisis since 2000 (Balint, 2006). Further research by Rihoy et al (2007) found a different story, where the local traditional leadership now monopolised CAMPFIRE benefits, sidelining the rural district council. Rihoy et al (2007) also found that despite the problems within Maheny, CAMPFIRE had a positive impact in terms of empowering local residents, providing them with incentives, knowledge and organisational abilities to identify and address problems and identify when external interventions are required. Rihoy et al (2007) also found that despite the problems within Maheny, CAMPFIRE had a positive impact in terms of empowering local residents, providing them with incentives, knowledge and organisational abilities to identify and address problems and identify when external interventions are required. Rihoy et al (2007) concluded that community-based natural resource management is a process of applied and incremental experiments in democracy, which is of particular value because of the interaction of tiers of governance over time in an adaptive process. More recent investigations indicate that governance issues in Maheny have improved and benefits to the community have increased. The Maheny story illustrates the dynamic and multivariable nature of local development initiatives.

Natural products enterprises

Community-based natural product enterprises are commercial ventures which seek to supply markets with value-added natural products in order to bring greater benefits to communities that manage and use natural resources. The Southern Alliance for Indigenous Resources (SAFIRE), an NGO, develops businesses that use natural resources, mainly from plants, the rationale being that these plants will be conserved since they are essential to income generation. These community-based enterprises include a wide range of products, such as honey, oils, tea and pulp. Trade in natural products has shown the potential to be more profitable than agriculture in southern Africa, and Zimbabwe in particular (see Table 5.2). In ten southern African countries, current trade in baobab products is over US$11 million a year, while potential trade has been projected at over US$961 million a year (Bennett, 2006).

5.4 The crisis and environmental issues in Zimbabwe

It can be said that the collapse of the economy drove most Zimbabweans to rely more on nature and natural goods than ever before. We know globally that poverty normally drives those that can access nature to ‘mine’ resources with little regard to what may prove to be a non-existent future. The decline in visibility of state institutions also creates spaces for other private interests to take advantage and seek to exploit natural products for individual gain. In the case of Zimbabwe both situations occurred. Environmental management efforts were affected in several ways. Firstly, we know that staff attrition made environmental regulation ineffective due to a collapse in enforcement capacity (forest encroachment and gold panning seem to be two clear examples of this failure). This means that central government policy on environment had little meaning in the context of a collapsed economy. Absence of the recognised faces of enforcement created a vacuum that was exploited both by those acting out of desperation and some acting out of greed.

Secondly, the rural restructuring occurring as a result of Fast Track Land Reform presented new opportunities to utilise natural resources products in ways that had not been possible before when the farms were considered private property. Once the farms became state property, this changed the dynamics of stewardship, and, resource-use attitudes and patterns as well. This change affected both wildlife and forestry products more directly. Deforestation has significantly risen due to increased demand for fuel wood as paraffin and electricity become less available. While the exact figure for the rate of deforestation in Zimbabwe is unknown, estimates suggest that deforestation ranges between 100,000 and 320,000 hectares per year (GoZ, 2004).

Thirdly, violence and insecurity, especially in the countryside, made enforcement of environmental legislation tenuous. Well-meaning civil servants that remained in post found it impossible, especially in rural areas, to enforce the law; as often the political environment created insecurity to person and property. In fact few civil servants remained in post and those that remained found it difficult to work in the highly charged environment. For example enforcement on deforestation legislation became inconsistent across districts depending on the political risks involved. Perhaps the most alarming evidence of inconsistencies is illustrated by artisanal gold and diamond mining which is widespread throughout most river

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<tr>
<td>438,915,000</td>
<td>106,000</td>
<td>845,783,000</td>
<td>2,824,492</td>
<td>1,061,412,403</td>
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Source: Adapted from Bennett, 2006.
systems in the country. Gold panning mushroomed since 2000 and involves an estimated one million people, who operate along more than 5,000 km of Zimbabwe’s rivers. Panning is carried out unsustainably and unsystematically, usually in river beds, banks and flood plains with no concern for the environment. Trees are cut down haphazardly, pits several metres deep are dug and alluvial soil is removed, resulting in erosion and siltation as the soil and rocks are washed into streams. Chemicals such as mercury and cyanide are used, which are harmful to human health and pollute the environment. At one level the state saw panners as people struggling to survive and, depending on the election calendar, was happy to let them be. At another level they were viewed as a threat to the environment and in mid-2007 the Government of Zimbabwe initiated the nation-wide Operation Chikwirikwa Chupera (stop gold panning), spearheaded by the Zimbabwe Republic Police, to address the menace of uncontrolled gold panning. The operation was short-lived and generally deemed ineffective as in many instances panners were tipped off before police raids.

In general, we can say that, as a result of the crisis, local resource management was now driven by:

• A failure of agricultural productivity (due to the lack of inputs, especially fertiliser) so that extensive staple cereal farming is scarcely viable. This drove people towards environmental goods, especially those available freely.

• The search for other natural resources-based livelihoods: gold panning, wildlife (hunting) tourism, timber extraction (encroachment on commercial plantations), and processing of baobab products are all identified as remunerative.

• Reliance on ‘mining’ environmental goods upon access to markets where payment is in foreign exchange.

Since 2000, irrespective of the official policies and rhetoric about environmental management, implementation has been negligible. This has created a ‘free-for-all’ open access situation that is being driven by the socio-economic crisis and poverty and is causing massive environmental degradation.

5.5 Towards poverty – focused post-crisis environment and development recovery

Despite the situation described above there are important opportunities for rectifying the situation in future with an improved enabling environment, characterised by good governance and accountability. Zimbabwe has rich natural resources, particularly minerals, land and biodiversity, which, if managed wisely by adding value and developing good market linkages, could significantly contribute towards sustainable development. A sound policy framework exists, together with structures that can easily be revived. Experience has shown that, in order to be effective, action needs to be concentrated at local level, empowering district councils, district-level government agencies, local NGOs and community-based organisations. These local institutions need support, training and capacity building to make them competent and effective in implementing policies and legislation, and to be accountable downwards as well as upwards. A people-centred, participatory approach is required that marries local knowledge with professional science. An integrated, multi-sector holistic approach to the environment that recognises the linkages between environment and all aspects of development could be facilitated by the formation of a sustainability framework with a few basic principles for Zimbabwe, recognised at the highest level and implemented by all on the ground, coupled with increased environmental awareness and education. While not all proposed recovery programmes include environmental sustainability, the UNDP (2008) discussion document on Zimbabwe’s economic recovery emphasises sustainability and under Strategic Objective 3, includes the need to reduce poverty and improve environmental management. We look in more detail below at some of the potential opportunities for increasing economic opportunities for people through better natural resource management.

Promotion of community-based natural product enterprises

Local-level management of resources remains an important option for creating opportunities for people to manage and benefit from wildlife and other natural resources. During its evolution, the CAMPFIRE model has proved to be versatile and robust, and has encouraged local entrepreneurship as well as partnership with the private sector. Greater emphasis placed on private sector-community partnerships below the level of the rural district council can improve expertise to run viable community-based enterprises, strengthen financial resources and provide marketing capacity. In recent years the development of natural resource-based enterprises that are part of the local and global economy has been recognised as providing significant economic incentives and creating opportunities for local communities to be more involved in natural resources management. This has seen the development of a wide range of community-based enterprises, ranging from establishment of simple producer groups to sophisticated joint ventures and partnerships.

Key factors for the success in the community-based enterprise model include the availability, quality and quantity of the resource, availability of markets and tangible benefits to the community. Product research and development is needed together with creating incentives to invest in the products. Market linkages are crucial and must be maintained. Communities should understand the market context and be able to raise awareness within the market of a new product. PhytoTrade Africa, a trade association created in 2001, which is currently buying from 30,000 producers a year in eight different countries, including Zimbabwe, links rural producers to global markets for natural products, aiming to create economic opportunities for low-income rural producers through developing a viable natural products industry in southern Africa.

The utility of natural capital in securing rural livelihoods comes into sharper focus when viewed against the background of fragile agricultural systems and frequent crop failures that characterise the communal lands of southern Africa (Gondo and Mugweni, 2007). Most of its rural population still live in areas of marginal agricultural potential. Under these conditions, and in the context of livelihood diversification, commercialising natural resources can have poverty reduction outcomes.

Sustainable gold panning

The present situation regarding gold panning is out of control. Conventional methods of control, such as imposing fines and clamp-down operations and raids, have little impact and are no deterrent, providing short-term temporary solutions to the problem. The challenge is how this valuable natural resource can be mainstreamed into the economy without causing environmental degradation, so
that gold panning and small-scale mining can contribute towards sustainable development. The legal framework exists in Statutory Instrument 275/1991 of the Mines and Mineral Act, which allows for panning under certain conditions, and under the Environmental Impact Assessment and Environmental Management Plans requirements of the Environmental Management Act, which provide for environmental sustainability frameworks for economic activities. A number of models and pilot schemes using more sustainable panning techniques already exist (see Shoko and Love, 2003). An organised set up would be required with an integrated approach which mainstreams the panning activities, incorporating them into formal, legal, administrative and economic structures, managed at district and ward levels. If control is devolved to the local level, management of small-scale mining and panning would be more effective, resulting in reduced environmental degradation and better rehabilitation. Furthermore this would ensure that local communities benefit from the proceeds of alluvial gold panning. The CAMPFIRE programme has shown that natural resources are better conserved when they are controlled and managed by local communities. The advantages of such an approach to alluvial gold resources would be that: communities could benefit directly from their natural resources, providing an incentive to conserve those resources; communities would monitor and police themselves, thereby reducing the costs of policing and making it more effective; rehabilitation would be ensured; and control over selling gold would be more effective.

An action plan, ‘Integrated Management of Small Scale and Artisanal Mining of Gold for Sustainable Economic, Social and Environmental Development’ was developed by the Ministry of Environment and Tourism through consultation with relevant stakeholders, including Ministries of Mines, Local Government, and Finance, and CAMPFIRE Association. The action plan was presented to the Cabinet Economic Action Committee, where it was approved in principle in 2003. Since then, the initiative has not been pushed further and has been shelved, but nevertheless, it remains a sound and acceptable plan that, if implemented, could provide the basis of a future scenario for a lucrative sustainable development initiative. Recognising its importance, the Institute for Environmental Studies, University of Zimbabwe, has included sustainable mining as one of its strategic choices for addressing national environmental concerns 2008-2012 (Institute for Environmental Studies, 2008).

Land reform for sustainable development

Land reform is a long-term process that aims to enhance agricultural production and has potential to reduce poverty (Cliffe, 1988; DFID, 1999). There are opportunities for land distribution to benefit poor rural households, especially if they are given better quality land than they have at present and have the necessary inputs and support. However, to be successful land reform programmes should incorporate not only social and economic viability, but environmental sustainability as well. Environmental considerations of land reform are generally inadequately conceptualised, despite being a central consideration of sustainable land use (Manjengwa 2006). Under the present circumstances in Zimbabwe of economic crisis and high poverty levels, and coupled with ill-defined property rights and distorted policy regimes of the Fast Track, land reform has resulted in resource over-exploitation and environmental degradation.

Both the pattern and process of environmental change through land reform tend to be complex rather than simple, linear or unidirectional. The nature and scale of environmental degradation as well as conservation measures adopted will be diverse and dynamic. While in the long term there is the need to re-establish official systems of data collection and to monitor social, economic and environmental changes, in the short term there is a need for a small sample of high quality rapid appraisal exercises, using tools such as aerial photographs, mini-surveys, key informant interviews and focus group discussions, in a small number of representative areas to corroborate anecdotal evidence and to guide priority actions. Work already done can be updated, such as Matondi’s (2005) five-volume comprehensive study of the impacts of accelerated land reform in Mazowe District.

Concerning lucrative forest resources, the timber producers who had high stakes in plantations realised their dilemma regarding the land reform programme and the need for resettlement, and subsequently made several representations to government. A multi-stakeholder technical committee developed a policy paper entitled ‘Proposals for the Land Reform Programme and Indigenisation of the Forestry Industry by Forestry Companies’. The policy contained guiding principles for land reform in forests, compensation mechanisms, generic land reform options and details of the timber industry’s contribution to land reform, mainly offers of forestland, for resettlement. The proposal includes non-fragmentation of plantations and states that forest land use shall not be changed to agriculture. The government accepted the proposals in principle, and although the forests and land reform policy appears to have got lost in bureaucracy, it still provides a viable scenario for future sustainable plantation management. Similarly, the wildlife and land reform policy provides potential options for conservancies and resettled farms with game. Some conservancies were invaded during the Fast Track and their operations affected by poaching and some changes in land use from game to agriculture.

5.6 Funding opportunities

With the current preoccupation of the international community with climate change, there will be a number of funding and other opportunities for support available. International finance is already available for promoting sustainable development, cleaner technology and the reduction of carbon emissions. The global concept of the Green Economy and the transition to a low-carbon economy and renewable energy sources present opportunities for economic growth. The challenge for developing countries, such as Zimbabwe, is to position themselves in order to take advantage of the new economic interaction and international capital flows such as the World Bank Clean Technology Fund and the Clean Development Mechanism of the Kyoto Protocol. Zimbabwe is in the process of ratifying the Kyoto Protocol and will soon be eligible for funding.

A further challenge will be that of translating future international funding, including funding that is likely to pour into Zimbabwe for the post-crisis reconstruction period, into locally-owned, long-term, sustainable initiatives on the grounds that these produce real benefits to both people and the environment. Recipient governments are inclined to accept concepts with associated funding without questions. Therefore, when adopting internationally-inspired sustainable development initiatives it is necessary to scrutinise them in order to determine whether the
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categories are appropriate, necessary, relevant, affordable and sound for each situation or whether they incur unnecessary and expensive baggage which developing countries, such as Zimbabwe, can ill afford. Furthermore, it is important to identify whose agenda the initiatives are satisfying and to ensure that they reflect and are compatible with the wider socio-economic and political situation, and fit into national legal and institutional frameworks.

In the post-crisis reconstruction period international support would be more effective if it were channelled to domestic action implemented by local actors who have experience of what works and what does not, as well as having structures established at various levels. A number of local environment and development NGOs and community-based organisations proved resilient in maintaining a presence on the ground, despite serious challenges of the ongoing crisis. Some local NGO personnel expressed fears of being swamped and sidelined by an influx of foreign NGOs in the post-recovery period. These fears may be understandable, as Moss and Patrick (2006) in their paper on applying post-conflict recovery lessons to Zimbabwe refer to the World Bank and other donors ‘springing into action’ once transition occurs. Although the authors acknowledge that the main impetus for recovery should come from within Zimbabwe itself, they assert that international donors will have to play a role in ‘shepherding’ the locally owned recovery strategy. There is need for caution over the introduction of another layer of externally-devised and driven international initiatives, which may not be all that useful in the long term in effectively addressing the environmental problems that have arisen during the socio-economic crisis. Rather, the approach should be to support and augment initiatives that are already in place, scale up what already works, forming partnerships with government, NGOs, research institutions and the private sector, and encourage implementation of already existing policies and legislation.

5.7 Recommendations

In light of the discussion in this chapter, the following recommendations are put forward as priority areas for contributing to sustainable development in a post-crisis recovery programme for Zimbabwe.

1. Re-establish visibility of state environmental institutions and give them back their mandate. It is clear that most of the work will involve re-establishing long-term programming with a functioning bureaucracy, starting with the Ministry downwards. Key posts that had become vacant will need to be filled. There will be a need to restore some of the lost institutional momentum and in the interim it may be necessary to re-engage some of the retired capable senior staff. Creation of the Environmental Management Agency during the peak of the crisis meant that it never had the chance to function effectively. This needs to be relaunched with a new vision and engagement with some of the emerging policy discourses, especially the climate change agenda.

2. Priority should be on providing resources, incentives, training, capacity building and instilling accountability and transparency among staff. This would create a motivated, competent and committed civil service, with the capacity and resources to tackle reconstruction in the environment sector and effectively implement existing policies. Furthermore, implementation can be further enhanced by providing support and resources to local environmental NGOs and community-based organisations that have a proven track record, thereby enabling them to continue and expand the work that they have been doing at local level. More resources would enable them to replicate and scale up what works.

3. An audit of the state of the environment in Zimbabwe is overdue. Perhaps this could be one of the first confidence-building measures the Ministry can undertake to re-establish its control over the environment agenda. The audit could form the basis for a new vision on the environment and provide the state with reasonable entry points for other actors.

4. Document and disseminate examples of ‘good practices’ in natural resource management, particularly those with a focus on enhancing livelihoods and reducing poverty, and provide a platform for networking and facilitating an integrated approach to sustainable development.

5. Support environmental education for sustainable development at all levels, in order to increase the capacity of communities to address environmental issues and engender values, attitudes, skills and behaviour consistent with good environmental management.

Notes

1. For example the ‘contour ridges’ introduced as a way to tame soil erosion.

2. For example the Forest Produce Act and the Wildlife Act.
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CHAPTER 6: Education

6.1 Introduction
Education and health are the two sectors in which the post-colonial state invested the most after independence. In any given year till the 1990s these two sectors consumed nearly 12 per cent of recurrent expenditure. They became the main conduits of social development aspirations and for the most part resulted in massive improvements. In this chapter we consider the first of these two key social sectors, education, and look at how it has fared during the crisis. We also put forward recommendations for post-crisis reconstruction.

6.2 Zimbabwe’s education sector: from independence to crisis

Primary education
After inheriting a two-tier education system at independence that did not provide equally across the races, the new government sought to transform education provisioning by making it a universal good. The state legislated to make primary education compulsory, although this was a matter of good intentions rather than of imperatives. The concept of equal quality education at all levels was promoted. Until the mid-1990s Zimbabwe was recognised as relatively successful in providing quality education for all. It had achieved universal primary education and innovative secondary education for the majority (65 per cent) by the late 1980s. This was a remarkable achievement, given that at independence in 1980 only a third of Zimbabwe’s children had access to primary education, and only four per cent attended secondary school. Table 6.1 details the changes in education infrastructure, enrolment and staffing. It shows a doubling of primary schools, a threefold increase in primary school teachers and a fourfold increase in pupils enrolment. There was also a tenfold increase in secondary schools to match a more than tenfold increase in secondary school enrolment.

There were also qualitative improvements as black primary school children, who previously received a markedly inferior quality of education compared to European primary school children, were accorded equal priority. Massive investment also led to huge gains in literacy and by the 1990s literacy rates for the 15-24 years age group had risen to 98 per cent, whilst for adults it rose to 85 per cent. However, as will be shown in this chapter, after ten years of crisis and declining real expenditure in education, Zimbabwe is no longer a high flyer. A look at some of the vital statistics may put this into perspective. Its net primary enrolment in 2004 was 82 per cent, its net secondary enrolment in 2004 was 34 per cent, its gross tertiary enrolment in 2003 was 3.9 per cent, and primary school dropout (2003-04 figures) was 37.9 per cent. More worryingly, in 2001-02 of every 100 pupils that started primary school only 62 were expected to make it through to the last year of primary school. This reflected the impact of the socio-economic crisis on human capital formation as more and more children dropped out of classes to help with family survival or simply became too poor to attend school. In fact, about 30 per cent of children aged five to 14 are engaged in child labour and an estimated 12,000 street children in urban areas are not catered for in the school system. As the crisis has set in, there has been a small but steady decline in primary enrolments. Although the attrition rate of about three per cent is small, it is very noticeable in comparison to the previously high enrolment record. For example, fewer than 70 per cent of pupils completed Grade 7 in 2006, compared to 75 per cent previously (Kiernan, 2008: 45).

Table 6.1: Number of schools, teachers and school enrolment, 1980-2007.

<table>
<thead>
<tr>
<th>Year</th>
<th>Primary schools</th>
<th>Teachers</th>
<th>Pupils enrolled</th>
<th>Secondary schools</th>
<th>Teachers</th>
<th>Student enrolment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>2,411</td>
<td>28,455</td>
<td>819,566</td>
<td>177</td>
<td>-</td>
<td>66,215</td>
</tr>
<tr>
<td>1999</td>
<td>4,723</td>
<td>59,973</td>
<td>2,460,323</td>
<td>1,548</td>
<td>30,572</td>
<td>834,880</td>
</tr>
<tr>
<td>2004</td>
<td>5,007</td>
<td>69,461</td>
<td>2,464,682</td>
<td>1,680</td>
<td>37,871</td>
<td>866,399</td>
</tr>
<tr>
<td>2005</td>
<td>4,830</td>
<td>66,186</td>
<td>2,531,508</td>
<td>1,806</td>
<td>35,894</td>
<td>861,343</td>
</tr>
<tr>
<td>2006</td>
<td>4,842</td>
<td>66,220</td>
<td>2,493,260</td>
<td>1,642</td>
<td>36,175</td>
<td>883,267</td>
</tr>
<tr>
<td>2007</td>
<td>5,056</td>
<td>69,858</td>
<td>2,256,318</td>
<td>1,803</td>
<td>37,631</td>
<td>863,267</td>
</tr>
</tbody>
</table>

The area of pre-primary education showed significant achievement, as 64 per cent of first graders in Zimbabwe had pre-school background in 2006. There were rural-urban differentials, with 67 per cent of all urban Grade 1 pupils having attended pre-school, compared with 63 per cent for rural areas. This is a relatively favourable figure that ranks Zimbabwe as sixth in the provision of pre-primary education within the Southern African Development Community (SADC). This is somewhat surprising, given that all other figures showed a decline. The main explanation for this is that although the state provides the curriculum, this level of education is highly dependent on parental initiative and control, with a very small subsidy from the state.

Although the rate of transition to secondary education was 69.7 per cent in 2003-2004, there is a greater erosion of enrolments at secondary level, with 827,820 enrolled in Forms 1-4 in 2001 and only 774,921 in 2006, a drop of some 9.4 per cent, at a time when the population was still increasing. The number of students sitting for the ‘O’ level examinations also fluctuated, with the highest number of candidates reaching 159,700 in 2000, compared to 149,263 in 2005, a drop of 6.8 per cent (Ministry of Education, Sport and Culture, 2007a: 136). Lack of school fees and examination fees, combined with the large number of orphans, mainly due to HIV/AIDS deaths, has led to high dropouts. However, enrolment in the sixth form continued to increase, from 31,505 in 2001 to 56,566 in 2006, an 80 per cent increase. A similar trend is found at the tertiary level, with a doubling of the number of universities and with enrolments increasing to 56,637 in 2006 (Tichagwa, 2007: 2) as compared to 48,781 in 1999 (CSO, 2001a: 76), an increase of 16 per cent. As noted in the section on ‘Investment in education’ below, investment in higher education increased after 2000, whilst investment in primary education shrank considerably.

Although beginning to falter, quantitatively it is clear that the country made great strides. It is imperative, however, to look at the quality of human capital formation emerging from this system. This can be looked at in a number of ways: through specific monitoring and evaluation studies; examination results; the quality of the curriculum and textbooks; the availability of textbooks; the availability and quality of teachers; the quality of planning, supervision and Ministry support; and external indicators, such as the employment potential of school graduates. In this report, quality will include the Southern and Eastern Africa Consortium for Monitoring Educational Quality (SACMEQ) monitoring and evaluation study of 1999; examinations results; some evaluation of the curriculum and textbooks; the availability of textbooks; the availability and quality of teachers; and some observations regarding Ministry support. There have been no studies regarding external indicators in terms of the employment potential of school, college and university graduates. However, the exodus of more than two million Zimbabweans, mostly young people, indicates that there is a serious disjuncture between the needs of the Zimbabwean economy and the graduates of the education system. On the other hand, since these same graduates appear to do relatively well in the diaspora, it may be surmised that the education system prepared them for work outside of the country. However, the dysfunctional nature of the Zimbabwean economy over the last decade makes it all the more difficult to evaluate the relevance of the education system to the economic situation.

The quality of primary education, with specific emphasis on Grade 6 achievement, has been studied in 1991 and 1995, by SACMEQ (Machingaidze et al, 1998). There is no similar study for the quality of secondary and tertiary education. For primary schools the SACMEQ study covers the socio-economic characteristics of Grade 6 pupils and teachers; educational financing; the teaching conditions in primary schools; the conditions of school buildings and furniture; the availability of teaching and learning materials; the academic and professional qualifications of teachers and school heads; the English language test results; and practical suggestions for policies and actions. Table 6.2 reproduces the list of teaching materials and classroom furniture in Grade 6 classrooms found in the study.

Table 6.2: Percentage of Grade 6 pupils in classrooms with selected teaching materials and classroom furniture, 1995.

<table>
<thead>
<tr>
<th>Item</th>
<th>Percentage with item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teaching materials</td>
<td></td>
</tr>
<tr>
<td>Chalk</td>
<td>92.8</td>
</tr>
<tr>
<td>A wall chart of any kind</td>
<td>89.0</td>
</tr>
<tr>
<td>A map of Zimbabwe</td>
<td>76.6</td>
</tr>
<tr>
<td>A map of Africa</td>
<td>62.7</td>
</tr>
<tr>
<td>A map of the world</td>
<td>49.9</td>
</tr>
<tr>
<td>A classroom library or book corner</td>
<td>46.6</td>
</tr>
<tr>
<td>An atlas</td>
<td>83.6</td>
</tr>
<tr>
<td>An English dictionary</td>
<td>73.1</td>
</tr>
<tr>
<td>Classroom furniture</td>
<td></td>
</tr>
<tr>
<td>A useable chalk board</td>
<td>92.3</td>
</tr>
<tr>
<td>A cupboard</td>
<td>48.6</td>
</tr>
<tr>
<td>One or more bookshelves</td>
<td>39.3</td>
</tr>
<tr>
<td>A teacher table</td>
<td>79.5</td>
</tr>
<tr>
<td>A teacher chair</td>
<td>79.2</td>
</tr>
</tbody>
</table>


This study showed impressive provisioning in terms of education infrastructure, although there was need for more classrooms and other facilities, such as a school library (58.2 per cent of schools had one); staff room (30.3 per cent of schools had one); piped water (37.9 per cent of schools had this); well or borehole (71.1 per cent of schools had one); electricity (provided to 23.6 per cent of schools); telephone (33.6 per cent of schools had a telephone). The percentage of teachers with at least 11 years of academic education was 95.9 per cent, whilst 77.4 per cent had at least three years of teacher training. An impressive 90 per cent of school heads had suitable professional and academic qualifications.

If we take a look at the Grade 7 public examinations as a proxy for the quality of value addition in education, the decline in achievement is evident. Table 6.3 indicates that the percentage of passes was shrinking over the period 1997-2000.

Except for African languages, pass rates have declined compared with the peak year for results. This is somewhat surprising, given the fact that even up to 2006 only 3.4 per cent of primary school teachers were unqualified, comprising 2,184 out of a total of 65,098 (Ministry of Education, Sport and Culture, 2007a: 17). This study showed impressive provisioning in terms of education infrastructure, although there was need for more classrooms and other facilities, such as a school library (58.2 per cent of schools had one); staff room (30.3 per cent of schools had one); piped water (37.9 per cent of schools had this); well or borehole (71.1 per cent of schools had one); electricity (provided to 23.6 per cent of schools); telephone (33.6 per cent of schools had a telephone). The percentage of teachers with at least 11 years of academic education was 95.9 per cent, whilst 77.4 per cent had at least three years of teacher training. An impressive 90 per cent of school heads had suitable professional and academic qualifications.

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Reducing poverty and promoting growth

**Table 6.3: Grade 7 examination percentage pass by subject, peak performance year compared to 2000.**

<table>
<thead>
<tr>
<th>Subject</th>
<th>Peak year result</th>
<th>2000 result</th>
<th>2000 result as % of peak year result</th>
</tr>
</thead>
<tbody>
<tr>
<td>English</td>
<td>83.3 (1997)</td>
<td>73.0</td>
<td>87.6</td>
</tr>
<tr>
<td>Mathematics</td>
<td>73.4 (1997)</td>
<td>62.3</td>
<td>84.9</td>
</tr>
<tr>
<td>Shona</td>
<td>90.6 (1997)</td>
<td>89.5</td>
<td>98.9</td>
</tr>
<tr>
<td>Ndebele</td>
<td>86.0 (2000)</td>
<td>86.0</td>
<td>100.0</td>
</tr>
<tr>
<td>General Paper</td>
<td>81.2 (1998)</td>
<td>78.0</td>
<td>96.1</td>
</tr>
</tbody>
</table>

Source: CSO, 2001b: 30. Unfortunately we could not obtain more recent Grade 7 results.

A possible explanation for the decline in pass rates may be the deterioration in infrastructure over time. This trend is also reflected when we consider the quality of reading comprehension in English reflected in the SACMEQ study. This shows that only 56.4 per cent of Grade 6 pupils attained the minimal level of mastery, whilst only 37.0 per cent reached the desirable level of mastery (Machingaidze et al, 1998: 70). While these findings indicate that much had been achieved in primary education, there was still a great deal of work to be done by the end of the 1990s. Sadly there was little difference between the results in 1995 and those of 1991, showing that already the rate of improvement was beginning to slow down. Read together with the Grade 7 public examination results given in Table 6.3, we could say this reflects some systemic issues in the education system.

Although there were no significant rural/urban differences in primary school attendance reflected in the data (50.4 per cent boys as compared to 49.6 per cent girls in 2006), fewer girls attended secondary school, with 51.9 per cent boys and 48.1 per cent girls in 2006 (Ministry of Education, Sport and Culture, 2007a: 44). Although the gender gap has been gradually decreasing at secondary level, these data do suggest that the crisis may have affected girls’ attendance of secondary education more that it did that of boys.

**Secondary education**

The impressive improvements in secondary education infrastructure and enrolments raised expectations as to the quality of human capital formation and indeed Zimbabwe became recognised for its achievements in education. If we use quality of secondary education as measured by the ‘O’ and ‘A’ level examinations, we can get an idea of the value addition within this system. Table 6.4 shows that whilst the number of candidates who passed five or more subjects at ‘O’ level increased from 535 in 1980, to 31,246 in 2006, the percentage who passed five subjects reached its peak in the 1990s at 23 per cent. By 2000 the percentage had shrunk to 14 per cent, with a mean of 13 per cent from 2000 to 2006. Those who failed all subjects comprised 40 per cent of the total, whilst those who passed between one and three subjects comprised another 40 per cent between 1981 and 1990 (Chung, 2008: 36).

The fact that only 13-23 per cent of students pass five ‘O’ levels, implying a failure rate of between 77 and 87 per cent, is a serious indictment of the education system. Given that by 2000 only 2.8 per cent of secondary teachers were unqualified out of a total of 34,163, this high failure rate is somewhat surprising and may also point to systemic failures within the education system. It has been suggested that ‘O’ levels are basically a preparation for university work and unsuited to the 96 per cent of the age group that do not make it into university. It does suggest that secondary school students are not being educated and trained to take advantage of the opportunities and challenges they will face.

The ‘A’ level results were much better (Table 6.5), showing a marked improvement, from 46 per cent passing two or more subjects in 1980 to 75 per cent in 2006. The number who obtained two passes had increased from 527 to 25,106. The results at this level are due to the high level of selection for ‘A’ levels (compare the number of candidates for ‘O’ levels in Table 6.4 to the number for ‘A’ levels in Table 6.5).

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**Tertiary education**

At university level in 2006, male students comprised 62.6 per cent of the total. Although there has been a narrowing of the gender gap over the decades, there are serious gender gaps at tertiary education level, in terms of both staffing and student enrolments, and these gaps are linked to specific subject specialisations (Tichagwa, 2007). This is an area for more concerted and practical policy and strategy work, involving each institution in practical implementation programmes. Table 6.6 indicates an enormous increase in the enrolment of students at university level, caused partly by the increase in the number of universities from one in 1980, to four in 1994 and to 11 in 2006. A noticeable change was the emergence of five private universities by 2006. These five universities comprised 4,650 students out of a total of 53,560 students in 2006, 8.7 per cent of the total. There appears to be room for further expansion of private universities, although there is also a need to monitor the
quality and relevance of the education they provide. Interestingly, the private universities have a much lower gender divide, with 51.8 per cent male students and 48.2 per cent female students in 2006. In comparison the state universities had 64 per cent male students.

To understand the patterns of human capital formation through tertiary education we analyse the specialist areas of study at university level, and find under-representation in areas in which we would expect the country to be investing. While Zimbabwe’s tertiary enrolment is relatively high, 3.9 per cent of the age group as compared to 2.5 per cent in Sub-Saharan Africa, it is low compared to the development needs of the country and region. For example, tertiary enrolments in East Asia are 16.8 per cent, and in Europe and North America the figure is 57.7 per cent. Malaysia has a gross tertiary enrolment of 29.3 per cent, whilst South Korea has gross enrolment of 85.4 per cent (UNESCO, 2006: 346-50). In 2006 only 2.3 per cent of students in higher education were pursuing engineering training. Commerce and business appear to be well developed at university level, comprising 31 per cent of the student enrolment, while agriculture, engineering, medical, science and veterinary students altogether comprise 26.6 per cent of the total. Agriculture enrolments numbered a significant 2,276 in 2006, or 4.3 per cent of the total enrolments. By contrast, the number of students at agricultural colleges has been shrinking, from 667 students in 1990 to 273 in 2007. This is surprising in view of the fact that agriculture has been lauded as a key economic sector since the Fast Track Land Reform. It may reflect dislocation between training and economic policy decisions, as the land resettlement programme would require many more qualified agriculturalists.

Medical students comprise 3.6 per cent of the total. Given the severe shortage of medical personnel, both within Zimbabwe and worldwide, it may be judicious to expand this area. Veterinary students are even fewer, with only 228, or 0.4 per cent of the total. Given the fact that Zimbabwe has a strong livestock industry, it would appear that this faculty needs to increase the number of graduates as well as provide different levels of training to suit different community needs. There were quite a large number of science students, comprising 15.8 per cent of the total.


<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>University</td>
<td>9,017</td>
<td>12,442</td>
<td>(13,696)</td>
<td>53,637</td>
<td>595</td>
</tr>
<tr>
<td>Agricultural colleges</td>
<td>667</td>
<td>303</td>
<td>390</td>
<td>173</td>
<td>26</td>
</tr>
<tr>
<td>Teachers’ colleges</td>
<td>17,802</td>
<td>17,466</td>
<td>16,392</td>
<td>18,297</td>
<td>103</td>
</tr>
<tr>
<td>Technical colleges</td>
<td>11,683</td>
<td>13,612</td>
<td>16,306</td>
<td>19,337</td>
<td>166</td>
</tr>
<tr>
<td>Vocational training colleges</td>
<td>340</td>
<td>824</td>
<td>1,203</td>
<td>1,083</td>
<td>319</td>
</tr>
<tr>
<td>Nurses</td>
<td>908</td>
<td>1,038</td>
<td>(1,208)</td>
<td>not available</td>
<td>133</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40,417</strong></td>
<td><strong>45,685</strong></td>
<td><strong>49,195</strong></td>
<td><strong>94,002</strong></td>
<td><strong>233</strong></td>
</tr>
</tbody>
</table>

Sources: CSO, 2001b: 45-48; Tichagwa, 2007; Ministry of Higher and Tertiary Education.

### Non-formal education

The non-formal education system has scored a major success in lowering the illiteracy rate to 9.08 per cent in 2002, compared to 63 per cent at Independence. About a quarter of a million people participate in the non-formal education system, as shown in Table 6.7.

### Table 6.7: Enrolments in non-formal education courses, 2007.

<table>
<thead>
<tr>
<th>Programme</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correspondence</td>
<td>81,894</td>
<td>83,015</td>
<td>164,909</td>
</tr>
<tr>
<td>Secondary education or part-time continuing</td>
<td>11,162</td>
<td>13,712</td>
<td>24,874</td>
</tr>
<tr>
<td>education classes (PTCEC)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic literacy</td>
<td>4,910</td>
<td>13,167</td>
<td>18,077</td>
</tr>
<tr>
<td>Functional literacy</td>
<td>3,203</td>
<td>10,025</td>
<td>13,305</td>
</tr>
<tr>
<td>Primary education or Zimbabwe Adult Basic</td>
<td>1,824</td>
<td>6,562</td>
<td>8,386</td>
</tr>
<tr>
<td>Education Course (ZABEC)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102,993</strong></td>
<td><strong>126,481</strong></td>
<td><strong>229,551</strong></td>
</tr>
</tbody>
</table>


The preponderance of women enrolled on these courses may indicate that more women need non-formal education than men, as they may have failed to find educational opportunities within the formal system. Recent work suggests that much of the focus and curriculum remains those of the early years of independence, without sufficient regard for the changing needs of learners over the last three decades. Two areas which require attention are those of civic education and introduction to technologies, especially computers and new business technologies.

### Investment in education

In the 1980s the education budget varied from between 20.9 per cent to 26.1 per cent of the state budget, with an average annual...
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This compares to 11.3 per cent between 2000 and 2006, with an average annual expenditure of 14.2 per cent (Kiernan, 2008: 35). Since the 1990s, the state abandoned socialism as its ideology and in its place adopted elements of neo-liberalism. Apart from other policy impacts, the cost-cutting measures that came along with ESAP meant that the education budget shrank from about 22 per cent in the 1980s to about 15 per cent between 2000 and 2006. Table 6.8 shows that the investment in education and training is both variable and diminishing. It gives an estimate in US$ of the amount spent on education during the period 2004-2007, based on averages of monthly RBZ exchange rates.

### Table 6.8: Expenditure on education (millions of Z$ and US$) for selected years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Education budget in Z$ millions</th>
<th>Index of increase of education budget in Z$</th>
<th>RBZ exchange rate values, Z$:US$</th>
<th>Education budget in US$ millions</th>
<th>Index of increase of education budget in US$</th>
<th>Total state budget in Z$ millions</th>
<th>Education budget as % of total state budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-81</td>
<td>218.43</td>
<td>100</td>
<td>5,127.07</td>
<td>380.83</td>
<td>100</td>
<td>978</td>
<td>22.3</td>
</tr>
<tr>
<td>1990-91</td>
<td>1,532.21</td>
<td>701</td>
<td>17,404.98</td>
<td>429.40</td>
<td>171</td>
<td>6,850</td>
<td>22.4</td>
</tr>
<tr>
<td>2004</td>
<td>1,952,539</td>
<td>894</td>
<td>66,392.81</td>
<td>355.71</td>
<td>2,299</td>
<td>8,747,727</td>
<td>22.3</td>
</tr>
<tr>
<td>2006</td>
<td>23,616,697</td>
<td>10,812</td>
<td>70,838.03</td>
<td>0.30543</td>
<td>7,083.803</td>
<td>127,913,772</td>
<td>18.5</td>
</tr>
<tr>
<td>2007</td>
<td>721,949</td>
<td>331</td>
<td>5,26,004</td>
<td>47.32</td>
<td>11,274</td>
<td>6,233,879</td>
<td>11.6</td>
</tr>
<tr>
<td>2008</td>
<td>1,148,986.634</td>
<td>526,004</td>
<td>3,761,807.147</td>
<td>7,905,314.086</td>
<td>14.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


### Table 6.9: Average annual education staff salary 1990-91 compared to 2008 in Z$ and US$.

<table>
<thead>
<tr>
<th>Year</th>
<th>Average salary</th>
<th>Exchange rate used</th>
<th>Index in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>12,032</td>
<td>US$1 = Z$2,636</td>
<td>100</td>
</tr>
<tr>
<td>2008</td>
<td>43,176,000,000,000*</td>
<td>US$1 = Z$77,000,000,000</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: Number of Staff in 1990, 104,962. Source: Estimates of Expenditure for Year ending 30, June 1991: 141. Number of staff in 2008, 117,612. Source: Budget Estimates for Year ending December 31, 2008: 220. In both years the staff includes all staff in both Ministries.

** Since the 2008 salary figures from the Estimates of Expenditure for Year ending December 31, 2008: 220 are obviously invalid due to the extremely fast inflation rate, the salary figures used come from information from the Zimbabwe Teachers’ Association, ZIMTA in August 2008. Teachers were given three salary increases, in January, June and July 2008. The salary level includes basic salary, transport allowance and housing allowance, as of July 2008.

### Table 6.10: Primary school private school per capita grants, 1990-91 and 2006, Z$ and US$.

<table>
<thead>
<tr>
<th>Year</th>
<th>Per capita grants for private registered primary schools in Z$</th>
<th>Per capita grants as % of total education budget</th>
<th>Per capita grants for private registered primary schools in US$</th>
<th>Exchange rate used</th>
<th>Number of private primary school children (calculated as 88% of total enrolment of 2,445,520 children)</th>
<th>Average amount per child in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-91</td>
<td>35,000,000</td>
<td>2.28</td>
<td>13,277,694</td>
<td>US$1 = Z$2,636</td>
<td>2,119,865</td>
<td>6.26</td>
</tr>
<tr>
<td>2006</td>
<td>11,896,263,000</td>
<td>0.07</td>
<td>396,542*</td>
<td>US$1 = Z$30,000</td>
<td>2,152,058</td>
<td>0.18</td>
</tr>
</tbody>
</table>

Sources: Estimates of Expenditure for Year ending 30, June 1991: 87; Estimates of Expenditure for Year ending December 31, 2006: 184. For exchange rates see notes for Table 6.3.

* The fixed exchange rate of US$1:Z$30,000 provides inappropriate figures and distortions. This would mean that the actual average per capita grant is likely to be less than US$18 cents. The Education Statistics for 2007 and 2008 statistics have not yet been published, so 2006 is the latest year available.
It is clear from Tables 6.9 and 6.10 that after 2000 the level of investment in staff salaries and per capita grants was variable from year to year, but it was severely eroded by inflation. A return to the 22 per cent of the total state budget pattern of investment into education and training as a target would be a salutary first step in any new dispensation. A second step would be to try and ensure that staff salaries are reasonable enough to satisfy basic needs. By the time the IG was formed staff salaries in US$ terms were a paltry 12 per cent of the average salary in 1990. The poor working conditions accounted for the brain drain of teaching staff, many of whom were not able to utilise their academic and professional skills in the jobs they hold outside the country.

Per capita grants have shrunk to less than one US cent per child in 2008 compared to US$6.26 in 1990-91 (see Table 6.10), and this explains why schools are unable to purchase textbooks and other teaching/learning materials. Note that the average textbook in Zimbabwe costs about US$7, very high by regional and international standards. It may be useful to utilise 1990-91 as a benchmark. At that time investment in education was US$581 million, of which about US$456 million, 78.5 per cent of the total, was for staff salaries. Whilst it may not be possible to return very quickly to this level of real investment, it will nevertheless be essential to plan a closer approximation.

Another clear trend is that the percentage of the budget spent on higher education has increased, relative to that spent on primary and secondary education (see Table 6.12). Whereas 86.7 per cent of the budget was spent on primary and secondary education in 1990-91, this had shrunk to 69.5 per cent by 2008. Meanwhile the percentage spent on higher education had increased from 13.3 per cent to 30.5 per cent (see Table 6.11). The ratio of the unit cost of primary to secondary to university was roughly 1:1.54:18. From these figures it appears that secondary education in Zimbabwe is relatively cheap, costing only about 54 per cent more than primary education. University education is expensive, costing about 18 times more than the unit cost of primary education.

The increasing importance of higher education relative to primary and secondary education may reflect a number of concerns and problems. Lower investment in primary and secondary education could mean that unit costs as well as quality may have been lowered. The higher investment in tertiary education may reflect the fact that tertiary education lecturers demand salaries that are closer to international salaries, if they are to be retained. The rapid increase in enrolments at universities may reflect a higher demand for university education as a result of the expansion of secondary education over the previous two decades.

Tables 6.11 and 6.12 indicate that in addition to the need to increase the percentage of the budget allocated to education from 14.5 per cent in 2008 to bring it closer to the 22 per cent that was prevalent in the earlier years of independence, there is also a need to consider the importance of providing a higher allocation for primary and secondary education. Another noticeable factor is the increase in the percentage of the budget for ‘other’ costs, covering areas such as administration. This amount doubled from 8.4 per cent in 1990-91 to 17.2 per cent in 2008. This may indicate that there are increased inefficiencies in the present system of administration.


<table>
<thead>
<tr>
<th>Ministry</th>
<th>1990-91</th>
<th>%</th>
<th>2008</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education and Culture</td>
<td>1,329,074,000</td>
<td>86.7</td>
<td>798,244,383,122,000</td>
<td>69.5</td>
</tr>
<tr>
<td>Higher Education</td>
<td>203,141,000</td>
<td>13.3</td>
<td>350,742,252,286,000</td>
<td>30.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,532,215,000</strong></td>
<td><strong>100</strong></td>
<td><strong>1,148,987,635,408,000</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th></th>
<th>1990-91</th>
<th>%</th>
<th>2008</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary education</td>
<td>809,715,000</td>
<td>52.7</td>
<td>470,604,822,479,000</td>
<td>41.0</td>
</tr>
<tr>
<td>Secondary education</td>
<td>452,474,000</td>
<td>29.4</td>
<td>245,748,428,678,000</td>
<td>21.4</td>
</tr>
<tr>
<td>Teacher education</td>
<td>24,968,000</td>
<td>1.6</td>
<td>28,577,551,514,000</td>
<td>2.5</td>
</tr>
<tr>
<td>Technical vocational</td>
<td>30,275,000</td>
<td>2.0</td>
<td>24,877,603,846,000</td>
<td>2.2</td>
</tr>
<tr>
<td>education and training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>University education</td>
<td>91,835,000</td>
<td>6.0</td>
<td>181,565,697,500,000</td>
<td>15.8</td>
</tr>
<tr>
<td>Other</td>
<td>128,948,000</td>
<td>8.3</td>
<td>197,613,532,391,000</td>
<td>17.2</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,532,215,000</strong></td>
<td><strong>100</strong></td>
<td><strong>1,148,987,636,408,000</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

6.3 Recommendations for the future

Given the drastic changes which have taken place nationally, regionally and globally, there is an urgent need to re-examine educational policies and strategies. Some of the changes required are examined below:

Basic education

It is necessary to ensure that all children are able to access nine years of free, compulsory and quality basic education. Basic education is a human right which Zimbabwe needs to respect. At the same time, having a substantial number of its citizens deprived of primary and junior secondary education creates serious developmental problems. Presently about 100,000 children out of about 400,000 who enter primary schools do not complete Grade 7. A further 70,000 do not enter secondary school. Thus, about 170,000 children a year do not gain the requisite nine years of compulsory education that is deemed to be important for social, political and economic development. These school leavers will find it difficult to find jobs or to create jobs for themselves. Unless Zimbabwe returns to its original policy of free primary education, and even extends it to cover two years of junior secondary education, it is likely that a substantial percentage of its population will continue to have a sub-standard level of basic education.

1. Linking education and training more closely to economic development. The urgent need for economic development and expansion within the country and the region, as well as globally, requires a serious adjustment of the education system at all levels, but particularly at secondary, technical/vocational and tertiary levels. This would include:

1.1 Inclusion of more science and technical/vocational orientation in primary education, in particular the scientific approach to problem solving and the entrepreneurial skills that are required in a private sector-dominated economy. It is noticeable that changes which have taken place in science and technology since the 1980s are absent from the primary and secondary school curriculum. These include genetically modified food crops, the advent of bio-fuels, genetic engineering as a whole, the use of computer and other information technologies in the workplace, etc.

1.2 Providing more technical/vocational training at secondary school level. While Zimbabwe presently possesses a good quality technical and vocational education and training system at tertiary level, with enrolment of more than 19,000 into technical colleges and about 1,000 into vocational schools, this will be totally inadequate if Zimbabwe is to become more industrialised and if the economy is to expand. A larger number of secondary school graduates who can operate at middle and lower technician levels can fill this gap in practical terms. At the same time, Zimbabwe can supply some of the skilled human resources needs of the region. This change can be effected through the provision of nine years of free basic education for all, followed by some degree
of specialisation after the ninth year of schooling through the introduction of technical/vocational streams within the secondary education system. It is possible to provide a two-to-three-year technical/vocational specialisation programme in selected secondary schools. Students in such streams would still do some academic subjects, such as languages, mathematics, natural science and social science, but could spend three days a week on technical/vocational training. This would be along the lines followed in Thailand, where agriculture graduates from such courses are trained to run a 12-acre farm (about five-and-a-half hectares), establish a nursery or work in the garden of a large hotel. The high flyers can proceed to college and university. The same approach can be used for other practical and technical subjects, such as woodworking, metalwork, fashion and fabrics, catering, etc. As the introduction of some level of technical/vocational training is likely to be more expensive than concentration on classroom and book learning, one out of ten schools could initially be selected, making a total of about 160 secondary schools. This could gradually be increased to one out of five schools.

1.3 Another less expensive but more important strategy in the short run is providing ‘one skill’ vocational training. This would provide an important stop-gap solution to the rampant unemployment of the young, without adding high costs to the education and training budget.

1.4 The number of training places in agricultural colleges needs to be drastically increased, because there is an urgent need for more graduates with these skills. This training should be linked directly to the Land Resettlement Programme, and graduates of these training programmes should be given priority for purchasing farms.

1.5 The number of students at technical colleges needs to be boosted, as their specialisations are critical for development. A key aspect of their training should be internship in existing enterprises. The state should put into place financial and other packages to persuade industries to take on trainees. Graduates can work both within Zimbabwe and within the region.

1.6 The very limited enrolments at vocational training centres and colleges are a matter for serious concern. This sector provides technicians who have a more practical orientation than those provided by the polytechnics and technical colleges. It therefore serves a very important function for the 170,000 students who leave school each year with only some level of primary education. Zimbabwe had extensive experience in the 1980s of providing technical/vocational training to war veterans, with the basic requirement of literacy only in some cases. This was done through the Zimbabwe Foundation for Education with Production, ZIMFEP. This valuable experience should be harnessed, and this sector strengthened. There are already a number of underutilised and even vacant training centres which could be revived to provide this essential type of training. Due to the high demand for technical/vocational training, such centres are now demanding a minimum of five ‘O’ levels.

1.7 Tertiary education as a whole needs to increase enrolments and improve the quality and relevance of the education provided. In this regard, an increase in the private sector involvement from the present 8.7 per cent to about 50 per cent of enrolments would be desirable, with equal inputs from both the state and the private sector, as is the case in primary, secondary and teacher education. At present, private universities and technical colleges do not receive state support. State and private sector partnerships should be seen as a key strategy for education expansion and educational relevance, and Zimbabwe already has very successful experience of such partnerships.

1.8 At tertiary level, the science, technology and engineering sectors need to be given much greater emphasis than at present, as these areas are exceptionally important for Zimbabwe’s present stage of development.

2. Education and training for the region. The brain drain of doctors, teachers and nurses indicates that these specialisations should also be boosted within the education system, as such staff are in high demand in the region. There is a need for Zimbabwe to recognise that its education and training facilities should be open to SADC, and that such an approach would be useful both for Zimbabwe and for the region. Given that Zimbabwe has demonstrated comparative advantages in education and training, it is advantageous to open up its tertiary education and training facilities to the region, and to increase the education and training at this level, with a view to contributing well trained and experienced human resources in specific areas to regional development. In addition, by opening up training facilities to the region, Zimbabwe will earn much-needed foreign exchange to enable these institutions to improve themselves to internationally recognised standards.

3. Linking education to real life challenges. The education system does not deal with many real life challenges that school students will face, both during their school career and after they leave school. Challenges which face these young people include the prospect of unemployment; the dangers of HIV/AIDS and other sexually transmitted diseases; dealing with the generational divide that has developed as a result of the educational and economic changes which have taken place after Independence; and the challenges of opportunities for working in Zimbabwe and the region. The crisis has created new issues that need to receive attention at school, including dealing with conflict, paranoia, partisanship, polarisation of political views, torture and rape; greater understanding of economics, such as the money supply; the need for political tolerance, to tackle the high degree of political immaturity that exists at present; and the need to improve educational training, given the environmental devastation that has taken place during the crisis, due to the exponential growth of illegal mining and panning.

4. The development of values, principles and moral education. One of the challenges facing Zimbabwe today is that of developing personal as well as national values and principles. To some extent this has been done through religious education within the family and school situations, but there is clearly a vacuum in this area, as evidenced by the departure from the rule of law and the contravention of basic human rights in the country, including the use
of violence, force and torture against people who hold a different political view. It is recognised that some of these systems of violence are part of Zimbabwe's colonial heritage, and stem from the decision to retain as much of the colonial systems as possible at Independence in 1980. Today, it is essential to re-examine critically this inherited set of values, principles and morality, with a view to providing a re-birth of values. The education system necessarily plays an important role in this development, both in terms of personal development, inter-personal development, and the development of national standards of values and behaviour.

5. Improvement of the quality of education. There has been some deterioration of the quality of education, and it is essential that practical as well as conceptual steps be taken to improve the situation. Areas which require attention include:

5.1 School construction. Movement of the population into urban areas and into resettlement areas means that new school planning and construction are required. In particular, steps need to be taken to ensure that the children who were in the hundreds of farm schools that were closed down are catered for.

5.2 School maintenance, furniture and equipment. School buildings have largely been neglected over the past decade, and need maintenance and refurbishing. A system of maintenance and furniture grants from the state and from donors to School Development Committees can assist the school communities to take greater responsibility for this task.

5.3 While pre-primary education appears to be doing relatively well, it is also important to return to training teachers for this level. Presently the centres are generally staffed by under-qualified teachers. Though it is understandable that the state may not wish to extend its already over-stretched resources to cover this level of education, nevertheless staff in this sector need to receive appropriate training. Better off communities are able to pay for qualified teachers. A programme that will enable practising teachers to upgrade themselves through in-service training studies is desirable.

5.4 The curriculum at all levels needs renewal. Whilst the Zimbabwean curriculum is of a high standard, it does not take into consideration many of the challenges faced by its students during and after their schooling.

5.5 Textbooks and other teaching/learning materials are no longer sufficiently available, due to inadequate funding. Increased funding is required, but this could be complemented by utilising donor funds to provide free or subsidised paper for publishers and printers, who can then ensure that the cost of books becomes affordable. The programme of the 1980s of providing 20 copies of some essential textbooks per school, funded by donors, should be restored.

5.6 Narrowing the gender gap will help to improve tertiary education in many ways, including by providing better leadership for women and increasing the pool of talented human resources.

5.7 Distance education has played an important role in upgrading and updating teachers and other personnel, in particular through the Zimbabwe Integrated Teacher Education Course (ZINTEC) and through the Zimbabwe Open University. More support should be given to this sector.

5.8 The inspectorate needs to be fully staffed and equipped in order to cope with the challenges of a more decentralised system of education.

5.9 The examinations system requires renewal and state funding. The concept of total dependence on market forces has had a detrimental effect on poorer students, who have not been able to afford to take examinations.

6. Involvement of the community and decentralisation. One of the most important policies and strategies which has enabled the education system to survive as well as it has done so far is the involvement of the community, in particular parents, in the education of their children. Parents have been very closely involved in the construction, maintenance and administration of their children's schools since Independence, and this has strengthened the education system immeasurably. Steps should now be taken to consolidate and further strengthen this partnership.

6.1 More resources need to be decentralised to the school level, with greater School Development Committee responsibility.

6.2 Education supervision needs to be decentralised to district level. Presently district education offices have been weakened by lack of staff and equipment.

6.3 How resources are provided and utilised needs to be re-examined. There are serious policy issues, such as the need for pro-poor budgeting, as under the present system privileged and wealthier communities receive more than less well-endowed communities.

6.4 The issue of school fees needs to be addressed. The present system excludes the very poor and destitute from both primary and secondary education.

7. Non-formal education. Non-formal education provides an opportunity to link education and training to the changing needs of society. Large numbers of young people are not being adequately catered for within the formal education system: new challenges have emerged, such as the Land Resettlement Programme, the advent of computer use in all aspects of the economy, the need for more specialised job training, etc.

8. Strengthening policy and strategy development. There has been substantial weakening of the Ministries of Education capacities in the past decade, due to the loss of key staff, undermining of the professional decision making processes in order to satisfy political and partisan requirements, and general lack of funding. This weakening of the central and provincial education institutions needs to be urgently redressed if Zimbabwe's education system is to meet the challenges of the 21st century.
9. Financing education. This is an area which requires some more detailed work, including the development of new frameworks to guide future planning and budgeting. Some of the areas which require attention include:

9.1 Ensuring that education and training receive adequate financing to be effective. A return to the allocation of about 22 per cent of the state budget to education and training would be a first step.

9.2 Ensuring that teachers’ and lecturers’ salaries are not eroded to the extent that they are not able to survive. This will stem the loss of personnel to the diaspora and into petty trade. Salaries should be in line with regional salaries.

9.3 Ensuring that the per capita grant for school materials is commensurate with the cost of basic school materials.

9.4 Providing adequately for construction, maintenance, school furniture and equipment. In particular a new framework would be needed to enable the community-owned schools, such as district council schools, to obtain fixed state subsidies for this area, including for maintenance. At present, state subsidies are limited to construction, and are painfully inadequate. However, expensive white elephants should be avoided.

9.5 Ensuring a better balance between investment into primary, secondary and tertiary education. Analysis of recent budgets appears to show some ad hoc variations, in particular with greater emphasis on university education than on primary, secondary, technical and vocational education. Whilst university education is undoubtedly important, under-investment in other sectors will have a deleterious effect on educational development as a whole.

9.6 Ensuring that focus on areas such as pre-primary and non-formal education in terms of the budget is well maintained.

9.7 Developing a pro-poor budgeting framework, so that the disadvantaged and lower income communities are better catered for than at present. In particular it is important that funds reach the school and community level.

9.8 Financing an increased focus on decentralised support for the school system by providing more resources and decentralised decision-making responsibilities to provincial and district levels.

9.9 Lowering the cost of administration as compared to the cost of implementation. One important move will be to have one Ministry of Education rather than two, to ensure better coordination between sectors that need to work very closely together. Moreover having two Ministries more than doubles the administrative costs, and may account for the increasing cost, which appears to be combined with lowered efficiency rates.

10. The challenges of donor aid. Donor assistance played an important role in the funding of education in the 1980s and 1990s. At this stage the state receives little or no donor assistance. Although there is some donor support directly to schools, this is generally not coordinated. While the direct provision of assistance at school level has important advantages and should be maintained in the future, the lack of planning and coordination means that such assistance cannot be utilised to best effect. On the other hand, returning to donor assistance to the state without carefully thought out and agreed frameworks can be fraught with dangers. With the likelihood that there will be many new decision-makers, both at the national political and bureaucratic levels, as well as among donors, this additional funding needs to be handled in such a way as to strengthen the system in replicable ways. A framework for donor funding will need to be devised that will ensure that the poorest sections of the community can benefit, whilst also ensuring that the quality of education is improved.

11. Research and development. There is a need for much more work in this area, particularly in terms of providing utilisable analysis which can help to improve the education system. Some of the areas include:

11.1 Linking education and training to development needs, including economic development needs and employment creation.

11.2 Enabling data collected at school level to be utilised expeditiously for school improvement. Presently data is collected, but not utilised. Examination results can be utilised to ensure that schools can aim at higher levels of attainment within a planned programme for learning achievement improvement.

11.3 There is room for closer monitoring and evaluation of all levels of education, along the lines of the SACMEQ studies. This will enable the Ministries to track quality deterioration and take timely steps to ensure improvements.

11.4 Curriculum research, particularly into the needs of present and emerging economic requirements, so as to ensure that the curriculum is up-to-date and relevant. It will remain a challenge to have curricula which bridge present with future needs.

6.4 Stakeholders and priorities

In addition to identifying the main policy and strategy areas set out above, it is also necessary to identify who will be responsible for implementing these policies and strategies. The main players and stakeholders include the state, in particular the Ministry of Education (MOE), the private sector, the parents and community, and the donors.

The state

The state remains the key player in the rehabilitation of the education system. Its role is critical: it can help to rehabilitate the education system within a short period of time if it plays a visionary and proactive role, and provides the much needed leadership to all stakeholders. It must demonstrate unequivocally that it is determined to prioritise education and to link it to the country’s development strategies. It is the main funder of the education and training systems. It must also put into place technically and professionally sound policies and strategies that will benefit the poor as well as the rich.
The state system has weakened considerably, showing a marked inability to handle many of the new and sometimes daunting challenges. Some of these challenges could be dealt with quite successfully, even within the present constraints, if there was better coordination of existing players and resources. Thus one of the first priorities must necessarily be to rehabilitate the state system to make it functional. Donors can play an important role in supporting the strengthening of the state capacities in the stop-gap as well as the short-term and long-term modes, by providing matching support for policies and strategies which are clearly beneficial to the development of the country as a whole, and which provide for a qualitative and equitable system.

Some forms of donor support, such as salary supplement support for district level staff of the Ministry of Education, would be reasonably low cost, but this can only be a stop-gap measure lasting 12-18 months, with clear benchmarks and deadlines. In addition to the stop-gap approach to assisting the state to carry out its functions, it is important to provide modest donor funding which can kick-start some of the important functions related to the efficiency of the education system. One important area is that of enabling the private publishers to rehabilitate their capacities to provide primary and secondary school textbooks. Presently publishers face the following constraints:

- Customs duties on inputs such as paper, plates, toners, ink, etc.
- Requirements by the Ministry for full colour textbooks for some grades, raising the cost to about US$7 per textbook (when the state is providing less than US$0.18 per child for school materials grant). The state should ensure that textbooks are affordable, at about US$1-2 per textbook.
- Shortage of paper.

As noted previously, a simple solution which can be implemented immediately is for donors to collaborate with the state to provide paper to publishers and printers for the purpose of producing textbooks. Such state-private sector-donor collaboration would enable the MOE to negotiate on quality and price. Without state acquiescence, such a scheme cannot go forward, yet it does not require any outlay of funds by the state itself, and would strengthen the private sector's ability to provide textbooks to schools.

The most important part the state can play is in terms of policies and strategies. Critically, it is largely up to the state, working in partnership with donors where possible, to provide the finance necessary to achieve the challenges set out in the previous section, particularly to provide nine years of free education; sufficient pay for teachers; and sufficient materials for schools. As noted previously, historically Zimbabwe was able to implement its education policies effectively when it was allocating 22 per cent of the state budget to education. The target should be to return to this level. It is the responsibility of the government to implement many of the policies outlined in the previous section, including those on decentralisation; ensuring that the education and training systems are more closely linked to the development plans of the country; improving teacher training services; improving educational curricula; implementing greater cooperation between the state and private sector in the provision and processes of education, through linking education more closely to the needs of the private sector; and improving data collection and school evaluation.

### The private sector

More than 90 per cent of Zimbabwe’s primary and secondary schools are termed ‘private’ schools. The term covers more than 40 high fee-paying schools serving the elite; about 240 mission schools, which are still amongst the best schools in the country; more than 5,600 local authority schools run by municipalities, district councils and town boards serving the poorer sections of the population; over 50 mine schools; and more than 200 primary schools run by commercial farmers. Some of the commercial farm schools have now closed down. Mines have traditionally operated schools for the children of the miners. There are three ‘private’ teachers’ colleges run by churches. There are also a few technical vocational colleges which have responded to public demand. The private sector has pioneered the utilisation of distance education in the pre-Independence period, when the colonial governments restricted educational access to blacks, and the only way they could further their education was through the private sector, in particular the correspondence education sector. Over the last decade the private sector has played an important role in establishing private universities: there are presently four private universities. Primary and secondary schools and teachers’ colleges received generous grants from the Ministries of Education in terms of teachers’ salaries, per capita grants for learning materials, and building grants.

Zimbabwe used to have some vibrant private sector industries which served the education sector, such as publishing, printing, technical and science equipment companies, furniture and construction companies. While these still exist, they need to be strengthened and supported so that they can once again provide service to education.

The private sector is a key player in development, and it is essential for the state, the private sector and donors to work closely together. The development of private sector institutions, whether these be factories and companies producing educational materials or establishments providing education, is important in order to provide the diversity and the quality which are characteristic of more developed systems of education. This collaboration needs to be systematised, especially for long-term collaboration.

### Parents and communities

Parents and communities are a rich resource of human capacities which can be tapped to enrich and improve the education of their children. Already the School Development Committees (SDCs) have demonstrated their ability to keep schools operating. These capacities can be further tapped to enable SDCs to repair and maintain existing facilities, and to establish new facilities, provided that the state not only allows this, but also provides grants and supervision. Systems were set up after Independence to enable parents and communities to contribute to the education of their children. These systems have proven to be sufficiently robust to enable most schools to survive a decade of deprivation. Parents and dedicated teachers have played a critical role over the last decade in ensuring that primary and secondary schools continue to provide their services under very trying circumstances. No doubt they will continue to play this role, as they have a vested interest in ensuring the continuity and quality of education for their children.

The state has also been unable to pay its 100,000 teachers a living wage, sufficient to provide food for their family and for transport. This problem has become more acute since September 2008 when the devaluation of the Zimbabwe dollar accelerated...
even further, with the result that in urban areas teachers have not been able to afford the bus fares to school. One stop-gap strategy to enable schools to function would be for donors to provide a foreign exchange salary supplement to teachers in the same way as they have done for nurses and doctors. Such payment would need to be done at school level to avoid heavy bureaucratization, and should be targeted at the poorer sections of the community. One good outcome of recent problems is the empowerment of the SDCs to solve their own problems. A joint donor-SDC programme in support of teachers could help to re-start schools in 2010 as a stop-gap measure.

It is evident that the system of parental responsibility for schools requires renewal, as some problems have become more conspicuous. Evident problems include the following:

- Poorer children have been forced to leave schools because of their inability to pay relatively modest fees.
- Some children have been unable to pay for examination fees, so could not sit examinations. As a result they lack the certification that will enable them to qualify for further education or for employment.
- Some children do not have birth certificates, and so are unable to enrol in school.

All of these problems can and should be solved by collaboration between the state, parents and communities, the private sector and donors. This lack of coordination is problematic. The state and donors can play a catalytic role in enabling such contributions to be augmented and directed towards greater quality and equity. For example, scholarship programmes can be provided both at elite and other schools to cater for those parents struggling to pay school and examination fees. A system by which about 20 per cent of places in every school are scholarship places provided for by a combination of state, donor and community funding can assist in bringing education to the poorest sections of the community who have now been excluded. Parents in agricultural communities have been providing basic foods to teachers, and such contributions should continue. A very substantial number of school children are suffering from stunting and malnutrition. This is an area of intervention through which schools, together with parents, private sector and donors, can assist in establishing supplementary feeding programmes.

6.5 Conclusion

Zimbabwe’s education sector was once a regional leader, but has suffered greatly in the crisis years with declining budgets and large-scale loss of personnel. It will be essential to rebuild the education system, both to restore human capital and in the longer term as a source of foreign exchange. This chapter has examined both the impact of the crisis on the education sector and detailed a range of recommendations for starting it on the road to recovery. Appendix 1 provides a more detailed, pragmatic and practical approach, including a prioritisation of recommendations, divided amongst the four main partners in education – the state, the private sector, the parents and community, and donors. In the next chapter we turn to another key social sector, that of health.

Donors

Donors are already playing an important role in providing funding directly to schools through NGOs, particularly in terms of providing food, fees and textbooks for an estimated 1.8 million HIV/AIDS orphans. However, there are major problems with the system of donor funding, including the following:

- Donor and NGO contributions are often uncoordinated with each other, and almost completely uncoordinated with the Ministries of Education. As a result inputs may not be sustainable or replicable, and may reflect donor priorities rather than national or community priorities.
- Donor contributions are in the ‘emergency’ rather than ‘developmental’ mode. This means donor funds come in the form of ‘charity’, and may not develop local, sustainable capacities. A good example is food provision, where food is brought from the US and the EU and donated to the poor, but little attempt has been made to provide seeds and fertiliser to enable peasant farmers to be self-sufficient. This approach has also been demonstrated in education: there is little or no coordination with the MOE, which is ostensibly responsible for education, with donors dealing with the Department of Social Welfare or directly with schools. In order to overcome these problems there is a need for better coordination between donors, NGOs and the MOE in identifying priorities and setting up improved systems that are sustainable. The system of direct contribution to the schools is a good one, and should be retained, provided there is more policy and strategy coordination.
Moving forward in Zimbabwe

Reducing poverty and promoting growth

Notes

1. Note: data based on stats from UNDP and UNESCO, and may differ from those provided by the Ministries directly.


4. This is the agreed minimum level of basic education accepted by SADC. It is also the recommended minimum level made by the Nziramasanga (1999) Commission on Education.

5. This is a common pattern in many European and Asian countries, where pupils are provided with nine years of general education, and are able to choose from different courses in the tenth year. For example in Sweden there are some 25 different courses in the tenth grade, offering a variety of academic and technical/vocational courses of various levels.

6. One of the challenges facing developing countries, including Zimbabwe, is the need for varying levels of technical/vocational knowledge and skills, as the country’s development needs vary from the most basic to very sophisticated skills. It would be appropriate for the secondary school system to provide basic levels of technical/vocational knowledge and skills which were not available to the parents’ generation, but which are now essential for the higher development of agriculture and small home-based industries.

7. There is a tendency everywhere to favour high quality and very expensive buildings, many of which become white elephants. This has also happened in Zimbabwe in the past, with a result that there are some unutilised and underutilised buildings. One of the first steps will be to utilise existing facilities to best effect. Whilst building standards do need to be sound and attractive, extravagance may not be advantageous to the country as a whole.

8. It is assumed that there will be one Ministry of Education. Presently responsibility for education is divided amongst several ministries, adding to inefficiencies.

9. There are about 250 education officers at district level, assisted by about 500 support staff. A small salary supplement of US$20–100 per month could provide enough for basic food and transport for such staff. This would give an estimate of about US$360,000 per annum, a very modest amount in real terms for rehabilitating the district education support system.

10. In the rural areas teachers have been able to manage by growing their own food, especially when they were able to benefit from the state small-scale land resettlement programme (known as the A1 programme) through which they obtained about five hectares of land. Roughly a quarter of rural teachers have managed to obtain some land (information from the African Institute for Agrarian Studies, Harare, November 2008), and they have managed to use this valuable asset to feed themselves. On the other hand parents have also begun to contribute food for teachers. Since September 2008 more privileged communities in urban areas have been charging US$10 per child per month for supplementary payment to teachers in foreign currency, but this is beyond the means of the poorer parents. Even a supplement of US$20 per month would be valuable.

11. Nurses and doctors are now paid US$30–700 per month through donor assistance to assist in the rehabilitation of the health sector.
Moving forward in Zimbabwe
Reducing poverty and promoting growth
CHAPTER 7: Health

7.1 Rebuilding health services and infrastructure after the crisis

When you go to the clinic, you are told there are no drugs, so they refer you to the hospital. At the hospital they tell you there are no drugs there and the X-Ray machine is not working, so they will refer you to Murewa hospital. When you get there, if you are lucky you will get X-rayed, but the chances are that they will have to refer you to either Chitungwiza or Parirenyarwa hospital. All these journeys need money and you are not even guaranteed that you will get what you are looking for. So the referral system is getting longer and more expensive and still, I won’t see a doctor and I will not get the drugs (Makuto and James, 2007).

After Independence, Zimbabwe inherited a public health service system that was geared to provide mostly for a few. Rural areas were severely underserved and what health provisioning existed was done by churches and Christian missionary groups (Agere, 1986). The state embarked on an ambitious programme to provide health for all. Using the slogan ‘Health for All by the Year 2000’, the strategy revolved around both preventive and curative health care provisioning. It also set into motion an infrastructural development programme linked to these strategies. This massive health infrastructure programme was linked to service delivery targets of a health facility within walking distance (eight kilometres) for every person, including rural areas. By the late 1990s up to 85 per cent of Zimbabweans lived within 10 kilometres of a health facility. Table 7.1 shows the infrastructure situation as of 2006.

The state also embarked on an impressive health professional training programme and until the 1990s committed as much as seven per cent of GDP to support the strategy before ESAP-induced cuts in public expenditure began to affect investment in health. Since the crisis began there has been a rapid deterioration in health provisioning that culminated in one of the worst public health disasters the country has known. By May 2009 an outbreak of cholera had infected 98,424 people and claimed the lives of 4,276 of these.

This outbreak became a global cliché of the effect of the protracted crisis on the health system. In the next section we look at the effects of the crisis on the country’s health delivery system.

Table 7.1: Public health facilities as of 30 April 2006.

<table>
<thead>
<tr>
<th>Provinces</th>
<th>Primary level</th>
<th>1st Referral level</th>
<th>2nd Referral level</th>
<th>3rd Referral level</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harare</td>
<td>45</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>52</td>
</tr>
<tr>
<td>Manicaland</td>
<td>253</td>
<td>36</td>
<td>1</td>
<td>0</td>
<td>290</td>
</tr>
<tr>
<td>Mashonaland Central</td>
<td>130</td>
<td>13</td>
<td>1</td>
<td>0</td>
<td>144</td>
</tr>
<tr>
<td>Mashonaland East</td>
<td>168</td>
<td>22</td>
<td>1</td>
<td>0</td>
<td>191</td>
</tr>
<tr>
<td>Mashonaland West</td>
<td>128</td>
<td>22</td>
<td>1</td>
<td>0</td>
<td>151</td>
</tr>
<tr>
<td>Matebeleland North</td>
<td>92</td>
<td>17</td>
<td>0</td>
<td>0</td>
<td>109</td>
</tr>
<tr>
<td>Matebeleland South</td>
<td>105</td>
<td>18</td>
<td>1</td>
<td>0</td>
<td>124</td>
</tr>
<tr>
<td>Midlands</td>
<td>106</td>
<td>28</td>
<td>1</td>
<td>0</td>
<td>235</td>
</tr>
<tr>
<td>Masvingo</td>
<td>170</td>
<td>23</td>
<td>1</td>
<td>0</td>
<td>194</td>
</tr>
<tr>
<td>Bulawayo</td>
<td>34</td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,231</strong></td>
<td><strong>179</strong></td>
<td><strong>7</strong></td>
<td><strong>14</strong></td>
<td><strong>1,431</strong></td>
</tr>
</tbody>
</table>

Source: GoZ, 2008.

Key
Primary level = Clinics and rural health centres; 1st Referral level = District, mission and rural hospital; 2nd Referral level = Provincial hospital; 3rd Referral level = Central hospital and infectious diseases hospital.
Moving forward in Zimbabwe

Demographic and socio-economic developments

The country’s population grew from 7.6 million in 1982 to 10.4 million in 1992 and 11.3 million in 2002. It is currently estimated to be around 13.4 million. Although the population grew rapidly between 1982 and 1992, the rate of growth slowed down considerably in the 1990s and into the new millennium. The slowdown has been attributed to a combination of factors. High mortality rates from an AIDS epidemic (adult infection rates were 33 per cent in 2000 but fell to about 11 per cent by 2008) decimated the population, while declining fertility rates as a result of a successful reproductive health campaign helped slow down growth. This was coupled with unprecedented levels of migration, especially since 2000. Table 7.2 shows the key trends in vital social statistics.

We can also see from Table 7.2 that some of the initial gains made during the first decade have begun to unravel in the second decade, especially with regards to life expectancy, which declined from a high of 61 years in the early 1990s to about 43 years by 2006. This decline has also been reflected in other areas of socio-economic development since the late 1990s. From this brief introduction to Zimbabwe’s health situation, we can say that after initial progress in socio-economic development during the first decade of independence, the country has been in decline since the late 1990s. Repeated droughts, an AIDS epidemic, an unstable economic policy environment, and a crisis in political governance continue to influence the setting in which the people make a living.

Health funding and the crisis

One of the first areas to be hit by the crisis was funding for public health care provisioning. As the budget deficit grew in the early 1990s the health budget in real terms also began to shrink. What information is available suggests that by 2007 the per capita allocation of health in the budget had declined to less than US$0.19 per year. Table 7.3 indicates the trends in the health budget since 1999.

It is clear that by the year 2007, before the crisis peaked, the allocation was virtually worthless and people had been left to their own devices to provide for their health care. With declining budgets, one of the main casualties became long-term programming, which was an absolute necessity at the time when the country was confronting an HIV/AIDS pandemic that had infection rates running at almost 25 per cent at its peak in the early 2000s. Donor support ensured that long-term programming continued in the area of HIV/AIDS, although for the most part national programming declined in most of the other preventive health care areas. A further consequence of cuts in budgets was that health infrastructure, equipment and supplies that had been set up over nearly two decades began to decline. Similarly, the staffing situation began to deteriorate as health professionals left for greener pastures in the region and abroad. Health training that had also reached impressive levels declined markedly and by November 2008 the main College of Health Sciences had all but ceased operations. A detailed look at the effects of this on selected health indicators will clarify the nature and form of the necessary post-crisis work.

Table 7.2: Main demographic features of Zimbabwe, 1982-2008.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
<td>7.6 million</td>
<td>10.4 million</td>
<td>11.6 million</td>
<td>13.4 million</td>
</tr>
<tr>
<td>Population growth rate</td>
<td>3.0%</td>
<td>3.1%</td>
<td>1.15%</td>
<td>0.8%</td>
</tr>
<tr>
<td>Life expectancy (years)</td>
<td>Male: 56.2, Female: 57.1</td>
<td>Male: 58, Female: 62</td>
<td>Male: 43, Female: 46</td>
<td></td>
</tr>
<tr>
<td>Literacy rate</td>
<td>48%</td>
<td>80.38%</td>
<td>88.7%</td>
<td></td>
</tr>
<tr>
<td>Crude birth rate</td>
<td>39.5/1000</td>
<td>34.5/1000</td>
<td>33/1000</td>
<td>31.6/1000</td>
</tr>
<tr>
<td>Crude death rate</td>
<td>10.8/1000</td>
<td>9.5/1000</td>
<td>18/1000</td>
<td>17.3/1000</td>
</tr>
<tr>
<td>Total fertility rate</td>
<td>6.20</td>
<td>5.91</td>
<td>4.1</td>
<td>3.8</td>
</tr>
<tr>
<td>Infant mortality</td>
<td>86/1000</td>
<td>66/1000</td>
<td>65/1000</td>
<td>68/1000</td>
</tr>
<tr>
<td>AIDS infection rates in adults (15-49yrs)</td>
<td>-</td>
<td>-</td>
<td>24.6%</td>
<td>15.6%</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Year</th>
<th>Health budget, Z$</th>
<th>% of total budget</th>
<th>Budget per capita, Z$</th>
<th>Reserve Bank exchange rate</th>
<th>Budget per capita, US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>3,667,544,000</td>
<td>9</td>
<td>325</td>
<td>38</td>
<td>8.55</td>
</tr>
<tr>
<td>2000</td>
<td>6,189,168,000</td>
<td>10.5</td>
<td>543</td>
<td>55</td>
<td>9.87</td>
</tr>
<tr>
<td>2001</td>
<td>14,026,298,000</td>
<td>11.5</td>
<td>1,218</td>
<td>55</td>
<td>22.15</td>
</tr>
<tr>
<td>2002</td>
<td>22,459,863,000</td>
<td>9.5</td>
<td>1,931</td>
<td>55</td>
<td>35.11</td>
</tr>
<tr>
<td>2003</td>
<td>73,427,927,000</td>
<td>12.7</td>
<td>6,250</td>
<td>824</td>
<td>7.59</td>
</tr>
<tr>
<td>2004</td>
<td>701,209,680,000</td>
<td>14</td>
<td>59,097</td>
<td>824</td>
<td>71.72</td>
</tr>
<tr>
<td>2005</td>
<td>3,006,296,970,000</td>
<td>16.95</td>
<td>250,857</td>
<td>26,000</td>
<td>9.65</td>
</tr>
<tr>
<td>2006</td>
<td>8,110,431,506,000</td>
<td>9.33</td>
<td>670,065</td>
<td>100,000</td>
<td>6.70</td>
</tr>
<tr>
<td>2007</td>
<td>590,082,761,000</td>
<td>13.48</td>
<td>48,269</td>
<td>250,000</td>
<td>0.19</td>
</tr>
</tbody>
</table>

Source: GoZ, 2008.
Figure 7.1 shows the deterioration in Zimbabwe’s health status. After initial improvements during the 1980’s, from the early 1990s crude death rates rose as the impact of HIV/AIDS mortality and cuts in public health expenditure began to affect health delivery. The crude death rate dropped from 10.8 in 1982 to 6.1 in 1987, then rose to 9.49 in 1992 before nearly doubling to 17.2/1,000 population in 2007. Similarly infant mortality that had declined to 53 per 1,000 live birth had risen to 68 per 1,000 by 2008. Although this is nowhere near the rates reached by other countries emerging from conflict (for example, Sierra Leone had rates of 170 per 1,000 at the end of the war in 1999 while rates in Mozambique had reached 269 per 1,000 by the time the civil war ended in 1991) it is the reversal of gains that is worrying here. A look at life expectancy at birth reflected in Table 7.4 also shows a dramatic decline from 62 in 1990 to the current 43 years.

Most of this decline has been attributed to the HIV/AIDS epidemic and deterioration in health services programming and delivery. Zimbabwe is one of the countries hardest hit by the HIV/AIDS epidemic. Programming in this area continued mainly due to dedicated funding from a government levy and also donor support. Figure 7.2 shows trends in the adult prevalence and incidence of HIV/AIDS between 1980 and 2007.

Table 7.4: Life expectancy at birth, 1984-2006.

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>60</td>
<td>61</td>
<td>61</td>
<td>58</td>
<td>52.6</td>
<td>44</td>
<td>43</td>
<td>44</td>
</tr>
<tr>
<td>Female</td>
<td>61</td>
<td>61</td>
<td>63</td>
<td>65</td>
<td>57.2</td>
<td>48</td>
<td>46</td>
<td>43</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>61</td>
<td>62</td>
<td>62</td>
<td>55</td>
<td>45</td>
<td>45</td>
<td>43</td>
</tr>
</tbody>
</table>

Source: Zimbabwe Inter-Censal Demographic Survey (ZICDS), CSO World Health statistics.

Figure 7.2 shows an impressive decline in prevalence rates from 24.5 per cent in 2004 to 15.6 per cent by 2007. The incidence rate is also down to two per cent from a peak well above four per cent in the mid 1990s. Success in tackling HIV/AIDS has been due to a combination of behaviour change, migration and the economic situation. Most significant, however, is the fact that this is one of the few areas where continued long-term programming has been maintained through dedicated funding from the state and considerable donor support. It is partly this sustained and co-ordinated effort that has delivered the decline.
These indicators of the state of health do not tell the whole story, as some of the hidden and long-term impacts of a prolonged socio-economic crisis will not be known until much later. For example, long-term nutrition-induced deficiencies that affect a whole generation of children will not be known for some time. Data from the Zimbabwe National Nutrition and Food Security Assessment of October 2007 shows significant increases in the prevalence of underweight children (17.4 per cent), wasting at 4.1 per cent and stunting at 28.9 per cent. The long-term impacts on life chances and the true costs of current poor nutrition and immunisation coverage on a generation of children that has grown up under such difficult situations will need to be taken into account in planning for health recovery.

**Health facilities, equipment and transport**

Health infrastructure capital investment has not kept pace with population expansion. Notably, a big gap continues to exist in secondary care facilities in urban areas. This situation has resulted in Provincial and Central Hospitals being used as first referral centres, leading to congestion and a fall in the quality of services offered. Since the Family Health project financed by the World Bank in early 1990, there has been limited capital injection in the building of new facilities in urban areas, while lack of repair and maintenance has led to considerable deterioration in most of the rural infrastructure. Although the deterioration in infrastructure can also be explained by the staff cutbacks of the mid-1990s, it is also clear that once the state became cash-strapped during the crisis, regular maintenance and timely repair of buildings and equipment also suffered.

Similarly the Anti-Retroviral Therapy (ART) review of 2008 showed that one of the major problems facing communities in Zimbabwe and leading to their failure to access health services is transport to get to the hospitals. Where this is available it has become expensive and beyond the reach of many. The review showed that some ambulances are in a state of disrepair and most have outlived their economic life span. The few vehicles that are being procured under different Programmes did not last long due to overuse, as they were the only reliable vehicles available for use in the districts.

**Medical equipment and laboratory and supplies**

Zimbabwe used to have such good medical equipment and laboratory services in the decentralised health delivery service that it was unknown for patients from the rural areas to come to the central hospitals, unless it was for major surgical operations. District hospitals had all the services that would meet the priority diseases in the country. In the current crisis the medical equipment has slowly ground to a halt. Most of the contract holders for servicing the machines have left the country and there is no budget to pay them. Similarly, the radio and telecommunications system in most of the districts, especially rural areas, virtually collapsed. This meant that patients were moved from one point to another without prior knowledge of whether the service they require is available where they are being referred to. In addition, a breakdown in communication made it difficult for health centres to share working equipment and medicines.
Laboratory services were negatively affected by the hyperinflationary economic environment prevailing in the country. Since most laboratory logistics (such as equipment and spares/accessories) required scarce foreign currency, most remained un repaired as maintenance routines were severely curtailed. This saw a general deterioration of laboratory services, where the tiered system failed to provide the standard package of laboratory tests in support of the health delivery system at each level of healthcare. The result was that patients sought services from the private sector where costs were unaffordable and beyond the reach of most of the patients. Tests such as CD4 (to measure the stage and prognosis for HIV patients), liver function and some related tests for screening patients before enrolment into the national ART programme continue to have logistical challenges, in that the reagents required to perform the tests are not always available. It should be noted that where there is external support, in districts supported by the Global Fund and the Expanded Support Programme, some new pieces of equipment have been procured which are being used when there is staff to man them, but they also run the risk of quick wear and tear due to high demand.

Table 7.5: Stock status of VEN items from NatPharm.

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vital</td>
<td>63%</td>
<td>72%</td>
<td>82%</td>
<td>42%</td>
</tr>
<tr>
<td>Essential</td>
<td>21%</td>
<td>56%</td>
<td>62%</td>
<td>23%</td>
</tr>
<tr>
<td>All drugs</td>
<td>41%</td>
<td>65%</td>
<td>68%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Availability for the first half of 2008, shows a declining trend. The VEN stock classification system in the Essential Drug List of Zimbabwe of medicines and surgical sundries was made on the following criteria:

**Vital items** – life-saving, non-availability may result in serious illness or death, optimum availability to be 100 per cent;

**Essential items** – non-availability may result in pain or discomfort to the patient, optimum availability to be 80 per cent;

**Necessary items** – required but of a lower priority than V and N, optimum availability to be 60 per cent.

One of the major challenges the health delivery system faced was a severe shortage of medical and surgical items. Table 7.5 shows the stock status at the central pharmaceutical supplies.

Although ART commodities were provided through the Global Fund, US government, UNDP's Expanded Support Programme and some NGOs, these could not meet the needs of the over 300,000 patients who needed ART. In the end people relied on private pharmacies if they could afford the high costs charged. The Centers for Disease Control and Prevention and USAID continued to support the country on HIV/AIDS issues and provided support in training, equipment and reagents for the laboratory services throughout the country.

**Human resources**

Health delivery service in Zimbabwe is generally labour intensive, as some of the new technologies available in the more developed parts of the world are too expensive for a developing economy. Although the state embarked on a sustained programme of health and auxiliary staff training, this sector and the education sector have been those hardest hit by the brain drain. Given the staff conditions during the crisis it was not surprising that most of the staff, trained at very substantial costs to the state, simply left for greener pastures. Officially the Ministry of Health and Child Welfare declared a vacancy rate of 29 per cent, but this average hides the fact that the situation on the ground was always much worse. Part of the problem of establishing the vacancy rate was that most professionals just walked out of their posts and did not officially resign. So although on paper they still appeared on the books, they were not physically turning up for work. This affected health service delivery quite significantly. A look at Table 7.6 shows that most of the core functions of the services were heavily depleted by the brain drain.

Table 7.6 suggests an average vacancy rate of 81 per cent among the senior positions in the Ministry of Health and Child Welfare. This means that the Ministry of Health and Child Welfare, as at December 2007, was operating with 19 per cent of its approved senior management positions. Loss of experienced managers and senior health staff at all levels resulted in a leadership vacuum and reduced management capacity. Programme management was
operating at 24 per cent. This confirms the decline in national programming activity. There simply was no capacity at national level to formulate and set out strategies to ensure that the limited resources were better deployed.

Due to the shortage of senior staff, newly qualified doctors deployed to the districts could not receive adequate clinical and supportive supervision from specialist doctors. The high vacancy rates of 73 per cent amongst consultants at central hospitals affected the quality of services and training programmes. The high failure rate recorded amongst medical graduates in 2006 and 2007 was directly attributed to the shortage of consultants, whose other responsibility is that of training and supervision of health professionals. A similar situation prevailed for nurses’ training. The vacancy rate for tutors of 68 per cent suggests that the trainees were increasingly being trained by inexperienced and less qualified tutors, compromising the quality of output. A high failure rate was also experienced in the nurse training schools. It is therefore clear that health-related human capital formation had hit the buffers by the time the IG took over. An overstretched, understaffed, under-equipped and poorly remunerated staff attempted to provide a modicum of health care under some of the most difficult conditions.

We can see from the foregoing that the IG took over a health system that was moribund. There was:

- Inadequate funding to support the growing needs of a population going through a protracted socio-economic crisis.
- Little long-term strategic planning, and programming had given way to dealing with relief and crisis. What little long-term programming existed was restricted to areas with ring-fenced funding, like HIV/AIDS. Although the MDGs still provided scope for long-term programming it was obvious, based on the two progress reports produced in 2004 and 2005, that the challenges of sticking to long-term programming in such a challenging environment remained.
- Deteriorating infrastructure, equipment and supplies. These had declined drastically up to the point that the service barely functioned.
- Inadequate primary care provisioning. This had all but collapsed, especially in rural areas, and what little activity remained was in the upper tiers that survived in some of the major urban centres, especially organised around surviving programme areas like HIV/AIDS, funded by ESP and the Global Fund.
- Reduced state capacity to provide healthcare for its citizens. Church and missionary organisations have emerged once more as significant actors in health provisioning as state health facilities declined.
- An increasing frequency of epidemics (e.g. cholera, malaria), which contributed to a high burden of disease on a compromised health system.
- An increasing level of non-communicable diseases.
- An increase in the crude death rate, mainly due to a failing health care system.
- A static or worsening gap between the level of health in urban and rural areas.

Faced with these challenges, the IG will not only need to respond to these with speed but also sequentially if the health sector is to be stabilised. A key advantage of Zimbabwe’s health sector is the fact that it was decentralised. This allowed community-based programming to continue. Unlike other post-conflict situations, where community-based programming collapsed, in Zimbabwe structures built around the response to HIV/AIDS helped maintain local-level programming and avoided complete disintegration of institutions. Moreover, through support of donors and other partners like the Centers for Disease Control and Prevention, disease surveillance never really ceased. This aspect became crucial during the outbreak of cholera as international partners were able to

---

**Table 7.6: Staffing situation in the Ministry of Health and Child Welfare, 2005-2007.**

<table>
<thead>
<tr>
<th>Category</th>
<th>Required Personnel</th>
<th>In Post 2005</th>
<th>% Vacant Posts</th>
<th>In Post 2006</th>
<th>% Vacant Posts</th>
<th>In Post 2007</th>
<th>% Vacant Posts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management</td>
<td>74</td>
<td>10</td>
<td>86%</td>
<td>7</td>
<td>91%</td>
<td>14</td>
<td>81%</td>
</tr>
<tr>
<td>Doctors</td>
<td>1,761</td>
<td>695</td>
<td>61%</td>
<td>668</td>
<td>62%</td>
<td>667</td>
<td>62%</td>
</tr>
<tr>
<td>Nurses</td>
<td>19,338</td>
<td>13,078</td>
<td>32%</td>
<td>13,495</td>
<td>46%</td>
<td>14,768</td>
<td>24%</td>
</tr>
<tr>
<td>Environmental Health Department</td>
<td>2,395</td>
<td>1,217</td>
<td>49%</td>
<td>1,293</td>
<td>46%</td>
<td>1,220</td>
<td>49%</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>578</td>
<td>336</td>
<td>42%</td>
<td>338</td>
<td>42%</td>
<td>318</td>
<td>45%</td>
</tr>
<tr>
<td>Radiography</td>
<td>459</td>
<td>140</td>
<td>69%</td>
<td>158</td>
<td>66%</td>
<td>154</td>
<td>66%</td>
</tr>
<tr>
<td>Laboratory</td>
<td>631</td>
<td>293</td>
<td>54%</td>
<td>324</td>
<td>49%</td>
<td>320</td>
<td>49%</td>
</tr>
<tr>
<td>Administration</td>
<td>5,759</td>
<td>4,950</td>
<td>14%</td>
<td>4,960</td>
<td>14%</td>
<td>4,960</td>
<td>14%</td>
</tr>
<tr>
<td>Records and Information</td>
<td>416</td>
<td>335</td>
<td>19%</td>
<td>335</td>
<td>19%</td>
<td>335</td>
<td>19%</td>
</tr>
<tr>
<td>Programme Managers</td>
<td>34</td>
<td>8</td>
<td>76%</td>
<td>8</td>
<td>76%</td>
<td>8</td>
<td>76%</td>
</tr>
<tr>
<td>Total for the whole Ministry of Health and Child Welfare</td>
<td>35,668</td>
<td>23,552</td>
<td>34%</td>
<td>24,071</td>
<td>33%</td>
<td>25,343</td>
<td>29%</td>
</tr>
</tbody>
</table>

Source: GoZ, 2008.
to link into this existing system. In the next section we look at what should be health sector priority areas for the IG.

7.2 Priorities for the health sector

Standard post-conflict models do not apply wholesale in Zimbabwe for the simple reason that although a lot of violence and insecurity was experienced, the crisis did not ignite into a full-blown conflict with large numbers of internally displaced persons (IDPs). This means that post-crisis recovery is likely to be much easier to manage, as there is still a modicum of structure upon which the health system can be revived. The only major issue is that the way the crisis was resolved – through the IG – is a compromise. Unlike in situations where there is a clear victor able to push through the vision for which they contended power, the IG’s structure means that most elements of reconstruction will need to be negotiated and contested. What is implemented will mostly be compromises or the least objectionable parts of policy. There is therefore potential for delays that could deliver the final blow to the health system if parties do not compromise and put the interests of their citizens before their own. Secondly, although donor support will be crucial, the fact that the IG is a compromise may mean only token gestures are extended while the donors wait out the IG’s demise. The implication of this point is that stabilisation of the health sector may have to be done with home-grown resources while long-term plans are formulated.

If we understand a health system as constituted by organisations, institutions and resources, it is clear that the IG’s role will be to get these stabilised and restored before any long-term programming can take place. We saw earlier that organisational challenges afflicting the health delivery system in Zimbabwe related mostly to staff attrition rates and how this affected the capacity of the Ministry to deliver health services. We also established how reduced per capita spending was also partly a reflection of the crisis that also saw most of the infrastructure go into decline. Clearly the IG will have to look into these important areas of health service delivery.

Most post-conflict countries use a standard three stage model\(^7\) and we suggest that elements of this model be considered and adapted for use.

Phase 1: Basic emergency and curative health services

During the immediate post-crisis phase the specific focus should be on dealing with immediate health needs, especially the basic emergency curative health services to save lives. In the case of Zimbabwe this was already predetermined. The cholera epidemic was inherited from the crisis and although this is now under control, it goes without saying that the arrival of the rains will bring in new challenges and possibly a recurrence of the cholera epidemic if the IG fails to restore basic water supply and sanitation services. What is also crucial is the resumption of related curative health services, such as obstetrics and immunisations, working to deal with other communicable and seasonal illnesses. We know from the experiences of other post-crisis states that the most vulnerable are the under-fives, pregnant women and those with underlying health conditions. These groups will need to be at the front of the queue and specific needs would need to be clinically determined. In the cases of Mozambique and Sierra Leone, post-war basic emergency curative services included immunisations for under-fives, tetanus jabs for expectant mothers, vitamin A for high risk groups and a deworming of children. This phase is usually resource intensive and costs vary according to what will need to be done. We know from experience that this can range from US$3.70 per capita, as was the case in Mozambique, to US$21 per capita in Sierra Leone, and up to US$10 per head in Afghanistan. For Zimbabwe this clearly implies a substantial rise in health expenditure from the current US$0.19. It is also imperative in the immediate term to:

- Arrest the brain drain through retention schemes. Reasonable remuneration based on regional rates will be needed to retain skilled health workers and attract back those that have left.
- Revitalise training facilities, especially reopening and capitalisation of the College of Health Sciences. This is an absolute priority, as this is the only way to begin to fill the skills gap. Experience from other post-crisis states suggests that health professionals that migrate are not footloose. Once they have settled they are unlikely to return and settle. Although mechanisms may be needed to utilise health professionals in the diaspora to restore health services (like short-term voluntary work or consultancies), there is no substitute for restarting health training.
- Refocus attention on child health, maternal health, nutrition, communicable diseases including-HIV, malaria and tuberculosis, and non-communicable diseases.
- Rebuild management capacity in strategic planning, expenditure management and budget planning.
- Establish reliable medical and surgical supplies.
- Improve health information and systems. Although this had attained international standards, it has gone into decline and will need to be prioritised in the short term to help identify gaps. This can then feed back to donors and the Ministry, highlighting key areas on which to work.
- Gather information on the status of health infrastructure.

While it is notable that there is unlikely to be any capital injection in the short-term that will be used on infrastructural development, there is a need to invest in information collection on the state of health infrastructure. This will influence how best to tackle this particular issue.

Role of civil society

In the last five years the international community has tended to want part of their resources to be channelled through civil society. In addition, partners have required that their resources are not to be channelled into the government treasury. This is likely to continue in the long-term, as it is part of the development agenda to empower civil society and increase its input into relevant decisions on social issues such as health.

Phase 2: Medium-term restoration of essential services

Once immediate health risks have been addressed, systematic delivery of essential health services can be contemplated. It is, however, also important to note that phases 1 and 2 can, and do, overlap. While in phase 1 above there is significant involvement of outside agencies helping to deal with the dire situation, it is clear that phase 2 is about asserting the authority of the state again. It is...
about making sure that there is a set of accountable structures and institutions around essential health service delivery. For Zimbabwe, this will mean restoration of health programming and a return to the primary health and curative health care strategies, with a focus on quick win areas or quick impact programmes. Crucially, it is about making sure that there is enough funding available to deliver the service.

**Phase 3: Rehabilitation**

During this phase long-term planning can begin. It presupposes that a return to the crisis is unlikely and all outstanding issues that brought about the conflict have been resolved. During this phase effective health information systems are a necessity.

### 7.3 Conclusion

This chapter has shown how far the health system has declined and clearly a lot of investment will be required to restore it to its pre-crisis levels, let alone improve on that. While ideas on what should be done first are easy to outline, the ability to pay for the cost of restoring the health system will prove the most difficult issue. On the one hand the user-pays principle established under ESAP will make health inaccessible to a majority of impoverished Zimbabweans. On the other, free universal health will not be possible for the cash-strapped IG, given the state of the productive sectors. While donors might chip in to support specific programmes, in the end there will need to be a political compromise that allows cost recovery, especially among those income groups that can afford it. For the majority, while the economy recovers, it might mean reliance on a social protection system to provide for basic health services. It is to this that we now turn.

### Notes

1. Figures from WHO.
2. Silverman (2009). Officially the rate is still 15.6 per cent.
CHAPTER 8: Social protection in post-crisis Zimbabwe

8.1 Introduction
This chapter looks at social protection reforms and priorities that a post-crisis Zimbabwe will have to consider. It is divided into five sections. The first section defines social protection and its constitutive parts: social insurance, labour-market regulation and social assistance. The second section describes Zimbabwe’s social assistance system as it developed in the 1980s. The third examines what happened to this system of welfare during the reform decade of the 1990s, before the fourth section sketches out the main welfare challenges in present-day Zimbabwe. The final section considers possible responses to the social assistance challenges in a post-crisis Zimbabwe.

8.2 What is social protection?
Social protection has often been seen as action to protect citizens against livelihood risks, promote the livelihoods and capabilities of the vulnerable, and enhance the social status and rights of the marginalised (Wütete, summarised by Manjengwa, 2008: 4). Importantly, social protection is not limited to reactive welfare handouts in the event of shocks, but also involves proactive action taken to build human capital to enhance the capacity of individuals to survive adverse situations (Stewart, 2008). The responsive and preventive dimensions of the concept are evident in contemporary discourses on social protection and are used to shape policies. Following Conway et al (2000), Barrientos and Hulme (2008) link public actions undertaken to address vulnerability, risk and deprivation to social protection for the poor, and group policies into three categories: social insurance, labour-market regulation and social assistance. Each of the aspects of social protection differs from the other in its objectives and how it is normally funded.

Social insurance provides protection arising from work-related shocks (e.g. unemployment or sickness) and life-course changes (e.g. old-age pensions), and is typically financed by worker and employer contributions. Because the welfare of workers is not just about protection from life-cycle and work-related contingencies but also fundamentally determined by the conditions of work they face, a second important aspect of social protection involves government regulation of the labour market. Specifically, the welfare of workers is connected to the basic standards of work they enjoy and the overall rights workers have to organise and voice their concerns (Barrientos and Hulme, 2008). If the first two aspects of social protection address the welfare concerns of those individuals in formal employment, the third, social assistance, speaks more generally to the rest: the unemployed or poor. Broadly, social assistance provides support for those in deprivation. Social assistance programmes are generally funded by the state with the aim of supporting those living in poverty. Table 8.1 summarises each of these aspects of social protection.

Table 8.1: Aspects of social protection.

<table>
<thead>
<tr>
<th>Aspect of social protection</th>
<th>Objective</th>
<th>Normal source of support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social insurance</td>
<td>Protection from life-cycle and work-cycle changes</td>
<td>Employer and employee contributions</td>
</tr>
<tr>
<td>Labour-market regulation</td>
<td>Provides standards at work</td>
<td>Public – legislation</td>
</tr>
<tr>
<td>Social assistance</td>
<td>Protection from poverty</td>
<td>Public – tax-financed</td>
</tr>
</tbody>
</table>

In this section the focus is on questions around the reconstruction of Zimbabwe’s social assistance system (namely, health, education, agriculture, and famine relief), but its intent is to spur discussion on what an integrated social protection system ought to look like. Though not directly addressed, the chapter recognises that a comprehensive social protection regime in Zimbabwe would require the stabilisation of the economy, such that privately purchased social insurance schemes are again viable options.

8.3 Social assistance in the first decade, 1980-89
When Zimbabwe gained independence in 1980, it faced dire economic conditions and an immense welfare gap produced by years of colonial rule and a bitter war of liberation. However, the end of the conflict, the removal of sanctions, the strong wage-induced consumer demand and a stellar agricultural harvest in 1980-81 led to initial growth of the economy (Sanders and Davies, 1988). With respect to the welfare gap, especially for rural Zimbabweans, the new government adopted a ‘state socialist approach which actively sought to reduce poverty’ (Marquette, 1997: 1142).
The comprehensive approach that the government pursued contained five major social assistance programmes. First, the government sought to improve the wellbeing of unskilled and semi-skilled labour through minimum wage legislation. During the early 1980s, minimum wages for domestic workers, agricultural workers, industrial workers and mine workers were increased by the government in an attempt to address aspects of the welfare gap produced by colonialism (see Table 8.2 below). The government augmented its minimum wage policy by leveraging control of the inherited price control system, to implement additional social assistance programmes. Through the price control instruments, the government kept the price of basic food commodities (maize meal, cooking oil, bread, etc.) relatively low by subsidising producers.

Second, in the 1980s Zimbabwe made significant welfare improvements by providing free health care to those earning less than Z$150 per month and their families, erecting and upgrading hospitals and rural health centres, expanding the immunisation programme to cover pregnant women and the six major childhood diseases, and instituting the Village Health Worker Programme (VHW) and the Traditional Midwives Programme (TMP) to train local village-based health-care providers (Ministry of Health, 1984; Agere, 1986). In addition to these health care programmes, the government also declared diarrhoea a national priority by launching the Diarrhoeal Disease Control Programme (DDCP). This programme also trained mothers to properly prepare the oral rehydration therapy solution (Cutts, 1984). Finally, through the newly created National Nutrition Unit, the government adopted a host of nutritional programmes, including the Child Supplementary Feeding Programme (CSFP). Through this programme, over 250,000 under-nourished children in over 8,000 communal area feeding points were provided with an energy-rich meal (Working Group, 1982; Ministry of Health, 1984).

As numerous scholars have noted, ‘education has always been in the forefront of politics in Zimbabwe’ (Zvobgo, 1987: 319). During the colonial period, restricting African access to education was one of the policies used by the settler state to protect, defend and reproduce white privilege. After independence the new government aggressively reformed the education system. Significantly, the government sought to achieve universal primary school education by abolishing fees for primary education (Zvobgo, 1987; Sanders and Davies 1988). During this period, there was an average annual increase in school enrolments of over 20 per cent: from 892,668 in 1979 to 2,727,162 by 1985 (CSO, 1986).

Gains were not just limited to primary education. As bottlenecks in the education system inherited from the colonial period were removed, there were dramatic increases in enrolments at secondary schools and technical colleges. Comparing enrolments in 1988 with those in 1980, du Toit (1995) concludes that attendance at secondary schools was up by 771.5 per cent, and technical college enrolments were 623.7 per cent higher. In addition to expanding student access to education, the government also committed itself to addressing the quality of education provided. This began with a 1982 decision to standardise student-teacher ratios nationally at 1:40 for primary education, 1:30 for secondary education and 1:20 for sixth-form students (Stoneman and Cliffe, 1989). To capture adults, the government also adopted an adult literacy programme. As noted by Sanders and Davies (1988), these changes had a double effect on the welfare status of the population: they contributed to the general welfare of the population through the intrinsic value of education; and free primary education increased real incomes for households with school-age children.

Similarly to the education system, the new government in Zimbabwe inherited an agricultural sector characterised by a highly skewed land ownership pattern (see Mandaza, 1987; Moyo, 1995, 1987). Estimates put white ownership of prime agricultural land at well over 70 per cent, compared with less than 30 per cent owned by 90 per cent of the population. Although the government’s policies with respect to redressing unequal land ownership fell well short of rural expectations, the new government took advantage of the Agricultural Marketing Authority and its marketing organs,

Table 8.2: Legislated monthly minimum wage (nominal Z$), 1980-86.

<table>
<thead>
<tr>
<th>Date</th>
<th>Domestic workers (a)</th>
<th>Agricultural workers (a)</th>
<th>Industrial workers (a)</th>
<th>Mining workers (a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 July 1980</td>
<td>30</td>
<td>30</td>
<td>70</td>
<td>43</td>
</tr>
<tr>
<td>30 December 1980</td>
<td>30</td>
<td>30</td>
<td>85</td>
<td>58</td>
</tr>
<tr>
<td>1 May 1981</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(d)</td>
</tr>
<tr>
<td>1 January 1982</td>
<td>50</td>
<td>62 (e)</td>
<td>105</td>
<td>105</td>
</tr>
<tr>
<td>1 September 1983</td>
<td>55</td>
<td>67</td>
<td>115</td>
<td>110</td>
</tr>
<tr>
<td>1 July 1984</td>
<td>65</td>
<td>77</td>
<td>125</td>
<td>120</td>
</tr>
<tr>
<td>1 July 1985</td>
<td>75</td>
<td>93</td>
<td>143</td>
<td>143</td>
</tr>
<tr>
<td>1 July 1986</td>
<td>85</td>
<td>–</td>
<td>158</td>
<td>158</td>
</tr>
</tbody>
</table>

Source: Sanders and Davies, 1988: 725.

Notes: (a) For those workers who also received payments in kind.
(b) For workers who did not receive payments in kind.
(c) Benefits were to be added to cash wage.
(d) Mineworkers not paid in kind after this date.
(e) Different grades of domestic workers recognised after this date.
the Grain Marketing Board (GMB) and the Cotton Marketing Board (CMB), and used them as major instruments for transferring income, and providing some opportunity for social advancement to the rural population (Herbst, 1990; Mumbengegwi, 1987). By offering generous prices for many of the crops grown by peasants (maize, mhunga, rapoku, sorghum and, to some extent, groundnuts and cotton) the new government provided welfare-improving incomes to the rural population.4 However, as discussed by Herbst (1990) and Mumbengegwi (2002), these positive incentives came at a very high cost to the government. Progressively, the transfer of income to the rural population through reasonably attractive crop prices produced significant losses for the GMB. For instance, the bumper harvest in 1981 saw the GMB deficit increase from Z$20 million to Z$43 million (Herbst, 1990).

Finally, in the 1980s the government provided protection from absolute deprivation through drought relief programmes. Beginning in 1981, the country was hit by a drought that lasted about three years. In natural regions IV and V, the maize crop was a complete failure throughout the drought years. In the worst hit region, Matabeleland, local papers reported that women were risking arrest by illegally crossing into apartheid South Africa in search of water (The Herald, 28 April 1982). Officials in the region estimated that close to one million people were in need of government assistance if starvation was to be averted (The Herald, 27 and 30 April 1982). In response to the food crisis of 1982-84, the government adopted a drought relief programme that lasted about two years. The main elements of the government of Zimbabwe’s 1982-84 response involved large-scale distribution of take-home food rations to the adult population,4 a supplementary feeding programme for children under five and lactating mothers, a significant water supply scheme, cattle protection and input provision for the communal sector (see Munemo, 2008b; Munro, 2001). In 1982-83 about 850,000 people received a ration of 10.34kg each month. The following year, in 1983-84, 1,462,226 people received a ration of 9.9kg each month.

In 1987-88 the government was once again called on to protect citizens from a drought-induced threat of famine. This time around the government changed its response from one predicated on food aid to one that relied on self-selection into public works programmes. Thus, the new relief policy adopted by the Government of Zimbabwe had two components: limited free food distribution (FFD) for households that did not have an able-bodied adult, and food-for-work (FFW) for households with an able-bodied adult. Projects for FFW were drawn from existing projects under Provincial and District Development Plans, with some on-the-spot invention of projects in some places.

This expansion in social spending immediately after independence resulted in government expenditure rising by an average rate of 24 per cent per year between 1980 and 1984 (Sanders and Davies, 1988). Overall government spending on the social sector rose from about 26 per cent of the total budget in 1980-81 to just under 35 per cent by 1990-91 (Alwang et al, 2002: 4). Thus, by the end of the 1980s Zimbabwe had admirable social welfare indicators for a country at its level of development.

### Table 8.3: Beneficiaries and cost of drought relief programmes.

<table>
<thead>
<tr>
<th>Year</th>
<th>Form taken by drought relief</th>
<th>Average beneficiaries per month</th>
<th>Average grain distributed (Mt/month)</th>
<th>Average ration (kg/person/month)</th>
<th>Nominal cost of the programme (Z$) yearly average</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982-83</td>
<td>Free food aid</td>
<td>847,930</td>
<td>8,767.26</td>
<td>10.34</td>
<td>22,228,827</td>
</tr>
<tr>
<td>1983-84</td>
<td>Free food aid</td>
<td>1,462,226</td>
<td>14,480.75</td>
<td>9.9</td>
<td>41,800,652</td>
</tr>
<tr>
<td>1987-88</td>
<td>Labour-based</td>
<td>1,082,213</td>
<td>10,576.98</td>
<td>9.77</td>
<td>34,976,648</td>
</tr>
</tbody>
</table>


### 8.4 Social assistance in the second decade: rolled back and haphazard

Stagnating macroeconomic performance and an increasing gap between government revenues and expenditures created problems that led to the adoption of market reforms in the 1990s (Jenkins and Knight, 2002, Mumbengegwi, 2002, Alwang et al, 2002). Market reforms in Zimbabwe were announced in 1990, with the expressed objectives of reducing government spending, deregulating the economy and lifting restrictions on trade, in the hope of promoting sustainable growth. Although reforming the civil service proved politically difficult to accomplish, the government removed price controls, reduced expenditures on subsidies, and relaxed import licensing and foreign exchange controls (Mumbengegwi, 2002). However, the removal of food subsidies and wage controls (Gibbon, 1995) and the introduction of cost recovery in education...
and health (Lennock, 1994; Renfew, 1992) had tremendous effects on the social assistance system that had been built in the 1980s, prompting many to raise questions about the social cost of adjustment in Zimbabwe (see Silveira House, 1993; ZTWU and ZCTU, 1993).

Although the government appeared to have a guiding economic blueprint, on the whole policy-making during the 1990s was almost completely haphazard, characterized by policy reversals and re-reversals (Jenkins, 2002: 49). The jerkiness of the government's overall policy stance was transmitted to its social assistance programmes. Some were cut altogether, others remained, though in an altered form, and new ones were adopted in hindsight as the social costs of adjustment were grudgingly recognised. This is most evident in programmes such as the Social Dimensions of Adjustment, the Poverty Alleviation Action Plan (Nkum, 1998), and the Public Assistance Programme (Munro, 2005) among others, which were adopted to cushion segments of the population from the costs of adjustment. As Munro's (2005) assessment of the Poverty Assistance Programme reveals, however, these were ineffective in supporting those living in extreme poverty.

Predictably, the increase and strict enforcement of user fees in the health sector in the 1990s produced negative welfare effects. For instance, data from the Sentinel Site Surveillance Surveys suggest that the introduction of user fees kept a significant number of women from seeking prenatal care (MPSLSW, 1993). The data also reveal that the number of rural women having their babies delivered in hospitals or clinics dropped from 81.1 per cent to 69.5 per cent after the introduction of user fees (MPSLSW, 1994: 12). Other studies also report an increase in the rate of maternal mortality (Minot, 1994). To make matters worse, "...total real health spending, real per capita health spending, and real wages of health personnel all declined by a third or more during 1990-94 ..." (Marquette, 1997: 1144). This meant that health care became more expensive at a time when the quality of service provided was declining.

Specific to the agricultural sector, reforms brought cuts in government support for research and development in new crop varieties, producer prices and extension services (Rukuni, 2006: 11). These programmes had contributed to the agricultural growth of the first decade (Rukuni and Eicher, 1994). Also axed during the early reform years was government input support (ploughing, seeds and fertiliser) for communal/peasant farmers. More significantly, the prices offered for crops in the 1990s fell compared to those (Benson, 1998; GoZ, 1993b; Thompson, 1993). According to one view, this new form of relief was implemented in 1995-96 and again in 1997-98, following another nation-wide drought in 1994-95 and a severe regional drought in 1996-97. In this way, concern with some element of cost-recovery had also penetrated the government's method of protecting citizens from drought-induced threats of famine.

### 8.5 Social assistance during the crisis period, 2000-present

What is clear from the foregoing discussion is that there are two distinct pre-crisis social welfare regimes in Zimbabwe: first, a decade of high commitment to the social assistance needs of the poor; and second, a period beginning in the early 1990s that progressively rolled back government assistance programmes in favour of the market. Scholars disagree about the impetus for the switch from a development strategy that stressed equity and the welfare needs of the poor in the 1980s, to one in which, by the early 1990s, government social assistance was minimal.

One view places the blame for the shift on international pressures from the IMF and World Bank (Rukuni, 2006). According to Rukuni (2006), the austerity measures of the reform programme undermined all the advances the government had made in the agricultural sector in the first decade. Cuts to agricultural research and development were made (Mashingaidze, 2006; Mariga, 2006), extension services had been streamlined (Pazvakavambwa and Hakutangwi, 2006), input support to communal farmers was lowered (Rusike and Sukum, 2006) and, above all, agricultural marketing was less aggressive (Muir-Leresche and Muchopa, 2006) during the reform years.

Another view suggests that international pressures alone are an insufficient explanation of the shift in Zimbabwe's development strategy (see Dashwood, 2000; Skalnes, 1995). According to one variant of this position, it was not the presence of international

### Table 8.5: Average maize, wheat and sorghum prices by decade.

<table>
<thead>
<tr>
<th>Period</th>
<th>Average price of maize US$/Mt</th>
<th>Average price of wheat US$/Mt</th>
<th>Average price of sorghum US$/Mt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-99</td>
<td>95.698</td>
<td>168.628</td>
<td>70.786</td>
</tr>
<tr>
<td>Per cent fall in price</td>
<td>17.532</td>
<td>14.552</td>
<td>39.081</td>
</tr>
</tbody>
</table>

Source: Munemo, 2008b.

The 1992-93 version of the FFW programme had three key components: ensuring an adequate supply of grain to the domestic market; a supplementary feeding programme for children under five and primary school children; a food-for-work programme for adults; and an agricultural recovery programme (Munemo, 2008a; 2008b; Munro, 2001, 2003; GoZ, 1993b). However, in 1995 President Mugabe announced that all previous drought relief programmes (FFW and FFQ) were to be replaced by a Grain Loan Programme. This new form of relief was implemented in 1995-96 and again in 1997-98, following another nation-wide drought in 1994-95 and a severe regional drought in 1996-97. In this way, concern with some element of cost-recovery had also penetrated the government's method of protecting citizens from drought-induced threats of famine.

### Table 8.6: Average maize, wheat and sorghum prices by decade.

<table>
<thead>
<tr>
<th>Period</th>
<th>Average price of maize US$/Mt</th>
<th>Average price of wheat US$/Mt</th>
<th>Average price of sorghum US$/Mt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990-99</td>
<td>95.698</td>
<td>168.628</td>
<td>70.786</td>
</tr>
<tr>
<td>Per cent fall in price</td>
<td>17.532</td>
<td>14.552</td>
<td>39.081</td>
</tr>
</tbody>
</table>

Source: Munemo, 2008b.

The 1992-93 version of the FFW programme had three key components: ensuring an adequate supply of grain to the domestic market; a supplementary feeding programme for children under five and primary school children; a food-for-work programme for adults; and an agricultural recovery programme (Munemo, 2008a; 2008b; Munro, 2001, 2003; GoZ, 1993b). However, in 1995 President Mugabe announced that all previous drought relief programmes (FFW and FFQ) were to be replaced by a Grain Loan Programme. This new form of relief was implemented in 1995-96 and again in 1997-98, following another nation-wide drought in 1994-95 and a severe regional drought in 1996-97. In this way, concern with some element of cost-recovery had also penetrated the government's method of protecting citizens from drought-induced threats of famine.

### 8.5 Social assistance during the crisis period, 2000-present

What is clear from the foregoing discussion is that there are two distinct pre-crisis social welfare regimes in Zimbabwe: first, a decade of high commitment to the social assistance needs of the poor; and second, a period beginning in the early 1990s that progressively rolled back government assistance programmes in favour of the market. Scholars disagree about the impetus for the switch from a development strategy that stressed equity and the welfare needs of the poor in the 1980s, to one in which, by the early 1990s, government social assistance was minimal.

One view places the blame for the shift on international pressures from the IMF and World Bank (Rukuni, 2006). According to Rukuni (2006), the austerity measures of the reform programme undermined all the advances the government had made in the agricultural sector in the first decade. Cuts to agricultural research and development were made (Mashingaidze, 2006; Mariga, 2006), extension services had been streamlined (Pazvakavambwa and Hakutangwi, 2006), input support to communal farmers was lowered (Rusike and Sukum, 2006) and, above all, agricultural marketing was less aggressive (Muir-Leresche and Muchopa, 2006) during the reform years.

Another view suggests that international pressures alone are an insufficient explanation of the shift in Zimbabwe's development strategy (see Dashwood, 2000; Skalnes, 1995). According to one variant of this position, it was not the presence of international
Moving forward in Zimbabwe

Reducing poverty and promoting growth

pressure but the progressive embourgeoisement of the ruling elite that tipped Zimbabwe’s development strategy (Dashwood, 2000: 4-12). Though scholars disagree on the reasons for the government’s change in focus, there is agreement that during the 1990s poverty in Zimbabwe increased in prevalence, depth and severity as a result of the significant cuts in social assistance programmes and the inadequacies of programmes adopted by the government (Table 8.6 below summarises these indexes).

Historically, agriculture in Zimbabwe has absorbed a significant proportion of the labour force. However, the violent and haphazard land reform programme cut agricultural labour significantly and contributed to increasing rates of urbanisation across Zimbabwe. This rapid urbanisation was occurring at a time when the formal economy was shrinking. These processes had two immediate outcomes. First, lacking the capacity to provide adequate housing for the increasing population, most city governments turned a blind eye to the numerous non-code dwellings erected by homeless Zimbabweans or non-permit additions to existing homes. Second, the death of the formal economy as a source of jobs led to the growth of a vibrant informal sector, involving numerous flea markets in most of the major cities in the country. As noted by UN Special Envoy Tibaijuka (2005: 23), the impetus for the ascendance of the informal sector was provided by government, which removed many of the obstacles to the operation of small-scale businesses.

The position of the government regarding the informal sector changed dramatically on 19 May 2005 when, without warning, it launched Operation Murambatsvina. In statements that followed the launching of the operation, the government purported to be interested in cleaning up the cities of all illegal homes, stores and vending stalls that had sprouted across the country. The joint police and army demolitions and evictions began in Harare and quickly spread to Bulawayo, Gweru and Mutare. ‘Operation Tsunami’ (as it was referred to by those who experienced it) resulted in the destruction of entire neighbourhoods and countless informal roadside businesses that had developed throughout the 1990s.

The negative welfare effect of this operation was at an order of magnitude more akin to conflict situations. The more conservative road-side businesses that had developed throughout the 1990s. Destruction of entire neighbourhoods and countless informal (as it was referred to by those who experienced it) resulted in the spread to Bulawayo, Gweru and Mutare. ‘Operation Tsunami’ and army demolitions and evictions began in Harare and quickly moved forward in Zimbabwe.

The destruction of shelter under Murambatsvina had ripple effects in other sectors. For instance, because the operation was carried out in the middle of the school year, education was immediately disrupted for children of families whose homes and informal businesses were demolished. Parents did not have time to enrol children in alternative schools or, in some cases, the resources to do so, given the destruction of sources of livelihood.

Tibaijuka (2005: 41) estimates that about 222,000 school-age children (between five and 18 years old) were directly affected by Murambatsvina. In addition to these education effects, a further 2.4 million people were indirectly affected by the operation through increased pressures on food supply, and on access to fresh water and sanitation and health care facilities.

If social policies in the 1990s tended to be after-thoughts, some have described those that remain as highly politicised (Gavin, 2007). For instance, Munemo (2008b) shows how the distribution of drought relief since 2000 has relied on village headmen or chiefs and graduates from the National Youth Service Training Centres, who ‘vet’ the lists of individuals who would be eligible to receive food rations. Further, as the economy has collapsed and state programmes cut, post-2000 Zimbabwe has also been characterised by the increasing privatisation of social assistance. In particular, we have witnessed an increasing reliance on remittances from Zimbabweans living abroad. However, while the number of those relying on remittances is high and the size of the flows of money is impressive, Bracking and Sachikonye’s (2008) work suggests that this informal system cannot substitute for the formal sector. As noted by many of their respondents, remittances barely keep up with eight-digit inflation.

8.6 Post-crisis options for social protection for the poor

This section examines some options for future social protection policy in Zimbabwe. We have looked at the experiences of post-conflict states in Africa, especially Mozambique, Liberia, Sierra Leone and Ethiopia, to draw some lessons on post-crisis determinants of social protection. We have also looked at nascent regional experiences to get a sense of regional discursive constructions on social protection, and have considered contemporary global discourses and practices on the state and social protection of citizens in developing these scenarios.

It is clear, based on the foregoing discussion, that by the time the IG took over, systematic social assistance programmes failed to offer social protection to those who needed it. The state- run

<table>
<thead>
<tr>
<th>Table 8.6: Urbanisation, exchange rates, inflation and per capita income in Zimbabwe, 1985-2005.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population</td>
</tr>
<tr>
<td>Urban population</td>
</tr>
<tr>
<td>Urbanisation level</td>
</tr>
<tr>
<td>Exchange rate (1 US$ = Z$)</td>
</tr>
<tr>
<td>Inflation</td>
</tr>
<tr>
<td>GDP per capita (const. Z$)</td>
</tr>
<tr>
<td>Per cent GDP growth per capita</td>
</tr>
</tbody>
</table>

programmes that remained (mainly food aid and agricultural input support) were largely seen as partisan, politicised and inadequate and by the time the IG was formed, non-state actors played a more prominent role in social protection for the poor. The foregoing analysis has also stressed that the overall state-run social assistance system had already been severely dismantled by economic reforms in the early 1990s. As the country went into the crisis, it is clear that programmes that had survived ESAP were merely the remnants of a more integrated system of assistance developed by the state in the 1980s. As such, reconstituting and rebuilding social assistance in post-crisis Zimbabwe is not merely predicated on the resolution of the political stalemate and the normalisation of economic activity, but also on revisiting the role of the state and markets in social protection. It is clear from experiences in Latin America and other African countries that the state is increasingly expected to take a lead in developing comprehensive social protection schemes for its citizens, in ways that advocates of small government may not like. Given the fact that the protracted crisis left most Zimbabweans poor, there is a case to be made for a comprehensive review of social protection provisioning.

**Rebuilding social protection systems**

In the short term, the IG and its successor government will need to rebuild a social assistance system and establish a minimal livelihood floor below which citizens will not fall. As the crisis took hold, it is clear that systematic central planning for social protection was severely affected by both staff attrition and lack of resources. This gave prominence and visibility to individual programmes run by non-state agencies. Although funded by donors and acting on behalf of the state, the non-state actors have become the face of social protection for the poor, perhaps even being seen as a surrogate state. While state capacity to manage large, complex programmes is restored and confidence is built among citizens that state institutions will be non-partisan, non-state actors will necessarily continue to play a significant role, especially during the IG’s two-year tenure. However, it is imperative that the state uses this time to carry out a comprehensive review of social protection for its citizens and come up with a more integrated and inclusive social protection system. Such a review would ensure the state regains the initiative and visibility over the period that the IG is in power. The suggestion here is not for dismantling the involvement of non-state actors in social protection. Rather, it is for a restoration of central planning and systematic social protection by the state. It is clear that non-state actors will continue to play a critical role in the period leading up to the elections that will mark the end of the IG.

**Conditional cash grants for orphans, vulnerable children and the elderly**

Those hardest hit by the crisis were orphans, the elderly and adults with chronic illnesses. Although the state and some non-state actors have provided for some of their needs (medicine and food), available evidence suggests that not all those in need could be assisted and the programme was ad hoc in its coverage and scope. It is clear that the IG will need to think of ways to extend coverage to these groups. As the supply situation improves countrywide, it is suggested that consideration be given to shifting from food packages to cash transfers predicated on some health and education conditionalities. Food packages worked very well in the shortage-prone hyperinflation environment prior to dollarisation. Experience from Mozambique suggests that their continued use in situations where the supply situation has improved could undermine food markets and ultimately farm production itself (Tshireley et al., 1996). We suggest cash grants, as there is evidence that giving cash can instil confidence and provide a level of independence that direct food aid may not achieve in some situations. Evidence from Malawi and Zambia suggests that cash programmes can be more effective than food packages. It has to be said, however, that there needs to be a minimum level of organisation for this to work, and in the case of Zimbabwe the wide system of rural banking networks that had developed has largely disappeared. Perhaps a cash grant scheme could provide the impetus to rejuvenate them. To prevent the obvious moral hazards, it is suggested that families be enrolled for no more than five years and that the national fiscus rather than donors take a lead in resourcing the programme in the long term. In the interim, however, donor support, both technical to assist setting up the programme and financial in providing matching funds, might be what is required. Questions of affordability will be raised, given the state of the national economy. Our view here is that the IG needs to begin to show commitment to its citizens and this is one of the ways to do so.

**Workfare relief**

A major priority for the IG will be to ensure the distribution of food aid to vulnerable groups to guarantee food security to both the urban and rural poor. However, considering that famine relief will need to be sustained until people can rebuild their livelihoods, workfare relief might be a more sustainable medium- to long-term response to the severe food insecurity across the country. Labour-based relief for able-bodied adults, while keeping a streamlined food aid programme for primary school children and the elderly, would help stretch the government’s resources through the anticipated long relief period. With unemployment as high as 80 per cent and a situation in which a significant portion of the country’s physical infrastructure (sewage systems, water systems, roads, rural schools, clinics, etc.) is in a state of disrepair, trading famine relief for some level of employment and the (re)construction of physical infrastructure would be prudent. The success of labour-based relief in post-crisis Zimbabwe will be predicated on adequate technical monitoring and supervision of projects. One of the shortcomings of food-for-work programmes in the late 1980s and early 1990s was the poor conception, monitoring and supervision of food-for-work projects. This factor is critical and affected the quality of work done during the 1992-93 drought relief programme. To forestall these problems, technical support will be necessary at the level of local implementation of work projects and not just in their planning. Adequate supervision will depend on the capacity of state institutions.

Finally, the severe poverty and high unemployment in a post-crisis Zimbabwe will require inventive ways to prevent social instability and provide for the welfare of the country, that go beyond the standard programmes discussed so far. The traditional social assistance programmes discussed above (which all have an element of targeting) will have to be augmented by a broader policy that captures all Zimbabweans and re-integrates them into the economy. As such, in the medium to long run, post-crisis Zimbabwe might consider the Basic Income Grant (BIG) as an ambitious new way to provide for the welfare of the population. The BIG is a grant
paid to all citizens, without means testing. Naturally, all the practical and specific details of the BIG in the context of a post-crisis Zimbabwe – in which levels of structural unemployment are as yet unknown – and knowledge of what the minimum wage might be, will take some time to establish and require rigorous and focused research, analysis and debate.

The universality of the BIG might be appealing in a post-crisis Zimbabwe for two reasons. First, a BIG removes the huge administrative burden of targeting that is involved in means-tested programmes. Beginning in the late 1990s, we saw that one feature of the social assistance programmes that remained was the politicisation of access. There is a perception that over the past decade social protection schemes have been used to reward supporters and punish the opposition. The universalism of the BIG minimises the possibility that social assistance will be politicised, because local, provincial or national administration will no longer have the discretion to rule on the eligibility of beneficiaries. Of course, this raises the possibility that entrenched political actors might find a BIG less appealing than other programmes that allow incumbents to direct benefits to preferred constituents. Another key constraint is the affordability of the programme for a cash-strapped state emerging out of a protracted recession. The dilemma for social protection policy is that it should not be designed in such a way that it is so costly it begins to undermine economic recovery. If experience from elsewhere in Africa is anything to go by, one clear lesson is that donors will not fund a universal programme that guarantees basic income. Although donors have shown an interest in funding pilot projects on cash transfers targeting orphans and vulnerable children, there is still scepticism that this form of social protection actually works. This means that in all likelihood the BIG will remain a long-term vision for the country and is unlikely to be considered in the immediate future.
Notes

1. In September 1980, when this programme was announced, the average minimum wage in the country was about Z$70 a month. This meant that the majority of Zimbabweans had access to free health care.

2. By 1989 over 323 rural health centres or clinics had been erected (Sanders and Davies, 1988).

3. According to Stoneman and Cliffe (1989: 173), by 1987 this programme had trained 7,000 out of the target 15,000 village health workers.

4. It should be noted that the positive price incentives offered to agriculture were motivated by the government's desire to become self-sufficient in food by removing reliance on food imports from apartheid South Africa (see Rukuni and Eicher, 1994; Herbst, 1990) together with political pressures to transfer visible benefits to the rural population (Bratton, 1987).

5. Zimbabwe is divided into five agricultural regions, based on rainfall patterns. See chapter 1, section 1.2.

6. Initially, all members of households in which the head of household earned an income less than the statutory minimum wage were eligible for food aid. However, such a broad eligibility criterion essentially meant that the majority of rural households were eligible to receive the 20kg of un-milled maize per person per month under the drought relief programme. In the end, it was estimated that as many as 2.3 million people from a rural population of about 5.7 million benefited from this policy.

7. However, the early growth was undercut by a three-year drought (1981-84), a world recession and South African destabilisation. In response to the shrinking economy (and tax base from which to fund social spending) the government attempted to control its spending by removing some food subsidies, freezing wages, being less aggressive in adjusting agricultural prices and adjusting the maximum wage below which Zimbabweans were entitled to receive free health care and education. Sanders and Davies (1988: 724) suggest that removal of food subsidies and wage freezes had direct consequences on nutritional status. These changes placed many Zimbabweans under stress, as food prices rose sharply in response to the removal of subsidies while wages and earnings from agriculture declined (Sanders and Davies, 1988; Herbst, 1990).

8. These surveys were administered biannually by the Ministry of Public Service, Labour and Social Welfare to approximately 4,000-5,000 households and 40 representative communities.

9. See Munro (2002), for an assessment of the components of the relief. Feeding points for about 40 children were set up across the country. Children under five were to be given rations which amounted to 40 per cent of their daily caloric needs (60 grams of maize meal and 20 grams of beans per day per child) through a system of over 18,819 feeding points across the country.

10. See Munro (2001) and Munemo (2008b) for a comprehensive discussion of this programme.

11. The report also suggests that school enrolments might have dropped by as much as 25 per cent, due to the operation.

12. Colloquially called ‘green bombers’ in reference to the green uniforms they wear.
CHAPTER 9: Reconnecting Zimbabwe: harnessing mobile telephony for sustainable development and poverty alleviation

9.1 Introduction

Information and communication technologies (ICTs) are now acknowledged to be enablers of social and economic development (G8, 2000). They are central to the promotion of the goals of the Millennium Declaration, and have the potential for bringing about poverty alleviation and improvements in the quality of people's lives (WSIS, 2003). The political and economic crisis experienced in Zimbabwe in the past decade negatively affected the growth of the ICT sector, as it did all other sectors of the economy. Growth of mobile telephony and services was miserably low in Zimbabwe, even as the 'connectedness revolution' was under way in other African countries, which saw an average annual growth rate in mobile phone usage of about 50 per cent for the period 2000-2007 (ITU, 2009a). Due in part to the crisis, the country was caught in a time warp and missed the opportunities and benefits that accrued to the other countries that harnessed ICTs for the wellbeing of their populations. Such potential benefits as the creation of employment, cementing family ties, generating greater social interaction, creating business efficiencies, giving access to information and knowledge, and widening people's freedoms, largely escaped most Zimbabweans.

This chapter looks at how the crisis affected the development of ICTs in Zimbabwe and considers how Zimbabwe can be reconnected again in the post-crisis period, in ways that will enhance the welfare of its citizens. It reviews mobile services as an ICT application, for reasons that are both technical and practical. Technologically, mobile handsets are fast becoming internet access devices. Mobile phones are recognised as instruments of change in finance, agriculture, media and development work. Mobile phones and the internet have started to converge, enabling mobiles to offer various services that were previously only available on the internet. Mobile technology can now provide data on food prices to farmers, patient information to remote medical clinics, and help track supplies and logistics. From a social and practical point of view, mobile services are more ubiquitous and accessible to the general public in Africa than any other ICT device. This is certainly the case in Zimbabwe, where the alternative for fixed telephony simply does not exist for most people, particularly in rural areas. Mobiles have had mass appeal that has cut across barriers of education, incomes and social status, which other ICT applications such as internet have not been able to achieve. Evidence from emerging markets suggests that at 526 devices per 1,000 people, mobile phones have penetrated some of the hitherto difficult-to-reach places. This compares with only 132 out of every 1,000 homes having access to a fixed line phone, and only 61 of every 1,000 people having access to a personal computer. There are almost 280 million mobile phone subscribers in Africa already, and it is estimated that by 2010 one in three Africans will own a mobile phone. In this regard, mobiles are a utility tool.

9.2 The ICT sector in Zimbabwe

Chapter 1 examined how the decline in the economy undermined any investment in infrastructure, and how this in turn affected service delivery. During this period of economic decline, the ICT sector also suffered. Available evidence suggests that the ICT sector has a strong positive correlation with private sector investment. As investment levels were low, the sector did not develop. The Global Information Technology Report (WEF and INSEAD, 2009) assessed Zimbabwe to be among the lowest of the world's information technology compliant countries. On the Networked Readiness Index, which measures a country's ability to harness information technologies for economic competitiveness and development, Zimbabwe ranked 132 out of a total 134 countries that were surveyed, surpassing only East Timor and Chad (WEF and INSEAD, 2009: xvii). The Africa Competitiveness Report 2009 notes:

As for telecommunications infrastructure [Zimbabwe] is significantly more underdeveloped [than the regional average]. In particular, mobile telephony, which in many countries provides a substitute for the fixed telephone lines, is underdeveloped. The regulatory environment in Zimbabwe is considered to be the poorest within the entire ETI (Enabling Trade Index) sample of countries, not surprising given the country's current economic and political situation (WEF, 2009a: 128).

Indeed, the growth of the mobile sector in Zimbabwe was disappointing. In 2000 Zimbabwe's three mobile operators had 266,441 subscribers. Eight years later, the total subscribers were around 1.3 million, indicating that only one million new subscribers were added in eight years. This contrasts with average annual growth rates of 102 per cent recorded in Nigeria since 2006. Growth in the mobile sector has, nevertheless, outperformed that of fixed lines (see Figure 9.1).
When the data are disaggregated further (see Table 9.1 and Figure 9.2) they reveal a market dominated largely by one player, with the others hardly registering any growth at all. By 2008 Econet Wireless had a 76 per cent market share of mobile subscribers and 60 per cent of total telephone subscribers, including fixed.

Accurate data on effective demand for telephony in Zimbabwe are not easy to come by, but it is not inaccurate to observe that all the operators suffered capacity constraints. Demand for telephony has far outstripped supply, turning the market into a suppliers’ market. Poor service quality, especially network congestion, has been a feature of telephony in Zimbabwe. Furthermore, the fact that demand for services far outstrips supply has generated a thriving black market for the few mobile phone lines available, which by 2009 retailed at anything between US$50 to US$100. This compares with other countries, such as Uganda and Kenya, where mobile lines are ubiquitous and retail at less than a tenth of the rates found in Zimbabwe. Clearly the crisis created a service capacity gap that needs to be addressed.

The situation was not helped by The Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ), which tried to balance the legitimate demands by operators for a tariff structure that ensures their viability, with an equally legitimate obligation to ensure an affordable service for the consumer. Often, it failed to satisfy either of the parties. For example, pricing regulations implemented in July 2007 forced operators to charge the equivalent of US$0.005 (half a US cent) per minute against an international average of US$0.15. Operators were not happy with this suboptimum tariff, yet at the same time, that tariff was beyond the reach of many ordinary mobile users, whose incomes were no more than US$10 per month.

Operator viability was further hurt by the non-availability of foreign currency, with the only source being the thriving parallel (black) market, which was, however, criminalised. Financial results declared using the official exchange rate would show a deceptively rosy picture.

### Table 9.1: Zimbabwe’s subscriber growth since 2000.

<table>
<thead>
<tr>
<th>Year</th>
<th>ECONET</th>
<th>NET ONE</th>
<th>TELECEL</th>
<th>TEL ONE</th>
<th>Total</th>
<th>Total mobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>93,706</td>
<td>89,949</td>
<td>82,786</td>
<td>238,956</td>
<td>505,397</td>
<td>266,441</td>
</tr>
<tr>
<td>2001</td>
<td>134,000</td>
<td>91,800</td>
<td>84,690</td>
<td>249,400</td>
<td>559,890</td>
<td>310,490</td>
</tr>
<tr>
<td>2002</td>
<td>139,402</td>
<td>114,000</td>
<td>85,000</td>
<td>257,777</td>
<td>596,179</td>
<td>338,402</td>
</tr>
<tr>
<td>2003</td>
<td>151,000</td>
<td>117,000</td>
<td>95,000</td>
<td>300,921</td>
<td>663,921</td>
<td>363,000</td>
</tr>
<tr>
<td>2004</td>
<td>173,000</td>
<td>130,000</td>
<td>130,000</td>
<td>317,000</td>
<td>750,000</td>
<td>433,000</td>
</tr>
<tr>
<td>2005</td>
<td>362,000</td>
<td>197,000</td>
<td>140,000</td>
<td>328,000</td>
<td>1,027,000</td>
<td>699,000</td>
</tr>
<tr>
<td>2006</td>
<td>477,000</td>
<td>215,488</td>
<td>156,698</td>
<td>335,561</td>
<td>1,184,747</td>
<td>849,186</td>
</tr>
<tr>
<td>2007</td>
<td>648,908</td>
<td>331,000</td>
<td>245,746</td>
<td>344,502</td>
<td>1,570,156</td>
<td>1,225,564</td>
</tr>
<tr>
<td>2008</td>
<td>988,656</td>
<td>418,065</td>
<td>248,000</td>
<td>364,281</td>
<td>1,641,565</td>
<td>1,296,565</td>
</tr>
</tbody>
</table>

% growth (F) | 1 | 4 | 3 | 17 | 5 | 3 | 2 | 3 | 6
% growth (M) | 65 | 17 | 9 | 7 | 19 | 61 | 31 | 44 | 35
The poor performance of the Zimbabwean mobile sector is particularly noticeable when juxtaposed against the rapid growth elsewhere in Africa. Mobile usage was growing by an annual average of 52 per cent for Sub-Saharan Africa. With only one million subscribers in 1996, the continent had registered 100 million by 2005, and a record quarter billion by December 2008 (ITU, 2009a: 13). Available estimates suggest that by June 2009 there were about 289 million subscribers in Africa.

Table 9.2: Selected regional economies’ mobile cellular subscriptions, 2003 and 2008.

<table>
<thead>
<tr>
<th>Mobile cellular subscriptions per 100 inhabitants</th>
<th>2003</th>
<th>2008</th>
<th>CAGR % 2003 - 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ghana</td>
<td>3.8</td>
<td>48.3</td>
<td>66.7</td>
</tr>
<tr>
<td>Kenya</td>
<td>4.9</td>
<td>42.1</td>
<td>54</td>
</tr>
<tr>
<td>Mozambique</td>
<td>2.3</td>
<td>20.2</td>
<td>54.6</td>
</tr>
<tr>
<td>Nigeria</td>
<td>2.5</td>
<td>41.6</td>
<td>75.4</td>
</tr>
<tr>
<td>South Africa</td>
<td>35.9</td>
<td>92.2</td>
<td>20.7</td>
</tr>
<tr>
<td>Tanzania</td>
<td>2.4</td>
<td>31.4</td>
<td>67.9</td>
</tr>
<tr>
<td>Uganda</td>
<td>2.9</td>
<td>26.8</td>
<td>56.1</td>
</tr>
<tr>
<td>Zambia</td>
<td>2.1</td>
<td>29.1</td>
<td>68.6</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>2.8</td>
<td>13.1</td>
<td>35.9</td>
</tr>
</tbody>
</table>


9.3 Mobile growth: comparative analysis with selected countries

Table 9.2 below compares the performance of mobile growth against growth in eight other regional countries, if only to dramatise the extent to which growth in Zimbabwe was slow. Kenya has striking similarities with Zimbabwe in terms of the structure of the economy and the timing of the launch of mobiles and introduction of competition. Kenya had two mobile operators and one fixed, but mobile subscribers grew from 180,000 in 2000, to 7.34 million by December 2007 (CCK, 2008).

It is clear that the protracted crisis in Zimbabwe affected the uptake and provision of telephony in two main ways. Firstly, the crisis created an unfavourable investment climate that stifled network expansion. Secondly, the crisis affected the ability of most Zimbabweans to make a living, which brought about a significant decline in effective demand for telephone services. The net result was a substandard mobile telephony service that lagged behind comparable country experiences in the region.

9.4 Growth in other ICT subsectors

The Internet

Measuring internet use in Africa is highly speculative, but estimates suggest that by the end of 2007 more than half of the 50 million users were in North Africa and South Africa (ITU, 2008). In Zimbabwe, available statistics suggest the country had about 1,351,000 internet users. This gives an internet penetration of 11.9 per cent and would make internet penetration higher than mobile penetration for comparable time periods. The figure of internet users in Zimbabwe is higher than that given for other countries such as Zambia, Tanzania, and Uganda, which, as we saw in Table 9.2, have experienced significant mobile growth rates. The explanation for this is not clear, but it could be that in the absence of access to mobile telephony, people used the internet through cybercafes as an alternative communication channel, particularly when communicating with the diaspora community.
The number of personal computers per 100 people has risen from 1.5 per 100 in 2000 to 6.5 per 100 in 2007. This is higher than the average 1.8 per 100 for Sub-Saharan Africa. This may have a correlation with the higher levels of literacy in the country and may be a good sign of the adoption readiness, should other inhibiting conditions be attended to.

The major impediment to internet usage in many developing countries, and in Zimbabwe, is cost. Because of the scarcity of broadband, most internet access is dial-up, and most countries charge for dial-up at conventional voice calling rates. A monthly usage of 20 hours of internet access costs almost US$50 in Africa, almost twice as much as the next highest region, the Americas.

Internet pricing shows a very wide variation among African countries; but, more than one-third of the economies have monthly price baskets of more than 25 percent of per capita income.

The price basket for internet per month in Zimbabwe was 24.6 in 2007 – much lower than the 29.2 average for the lower income countries, and even lower than the 43.1 for the Sub-Saharan countries (World Bank 2009 ICT at a Glance - http://devdata.worldbank.org/ict/zwe_ict.pdf).

This sounds like a piece of good news, but not when seen within the broader context of the low income of the population. It should also be borne in mind that inflation eroded the value of the Zimbabwe dollar such that, when denominated in US dollars, every service looks cheap.

### Broadband

When available, broadband in Africa is very expensive. The average price for an entry level broadband (256kbps) is US$100 per month, when the average for the OECD countries is US$45. Price variations are widest in the broadband market, ranging from US$18 per month in Morocco, to US$40 in Senegal (ITU, 2008) to as much as US$1,000 in Zimbabwe. There is no way that internet usage can become pervasive when the costs are so prohibitively high. When comparing the three technologies of fixed telephones, mobile telephones and broadband, it is clear that broadband in developing countries is much too expensive when compared to prices in the developed countries, as shown in Figure 9.4.

There is no quick solution, and probably no other solution than to allow as many players into this market as possible and eliminate the current predatory pricing practices by the oligopolistic providers. Again, wireless comes to the rescue, as this now allows alternative ways of delivering broadband. It is hoped that planned undersea optical fibre projects in Africa, such as SEACOM’s undersea cable connecting south and east Africa, the East African Submarine Cable System (EASSY) and the East African Marine System (TEAMS), will lead to a lowering of broadband prices in Africa.

### Table 9.3: Selected regional economies’ internet and broadband users and penetration.

<table>
<thead>
<tr>
<th>Country</th>
<th>Internet users</th>
<th>Internet penetration</th>
<th>(Fixed) internet subscribers</th>
<th>Broadband subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zimbabwe</td>
<td>1,351,000</td>
<td>11.9 %</td>
<td>100000</td>
<td>15,200</td>
</tr>
<tr>
<td>Zambia</td>
<td>500,000</td>
<td>4.3 %</td>
<td>12,578</td>
<td>2,300</td>
</tr>
<tr>
<td>Malawi</td>
<td>139,500</td>
<td>1.0 %</td>
<td>85,029</td>
<td>1,600</td>
</tr>
<tr>
<td>Namibia</td>
<td>101,000</td>
<td>4.5 %</td>
<td>90,000</td>
<td>300</td>
</tr>
<tr>
<td>South Africa</td>
<td>4,590,000</td>
<td>10.5 %</td>
<td>4,279,200</td>
<td>378,000</td>
</tr>
<tr>
<td>Tanzania</td>
<td>400,000</td>
<td>1.0 %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uganda</td>
<td>750,000</td>
<td>2.4 %</td>
<td>15,500</td>
<td>1,900</td>
</tr>
<tr>
<td>Kenya</td>
<td>3,000,000</td>
<td>7.9 %</td>
<td>186,801</td>
<td>17,700</td>
</tr>
<tr>
<td>Sudan</td>
<td>3,500,000</td>
<td>8.7 %</td>
<td></td>
<td>42,500</td>
</tr>
</tbody>
</table>

Source: Extracted from Internet World Stats for 31 March 2009; ITU African Telecom Indicators 2008 (fig. 2007).

### Figure 9.4: Difference in prices of ICTs between developing and developed countries, 2008.

9.5 ICT growth, development and poverty alleviation: conceptual reflections and implications for poverty-focused reconstruction in Zimbabwe

A key conclusion of the two World Summits on the Information Society (WSIS) in Geneva in 2003 and Tunis in 2005 was the recognition that ICTs are not only drivers for economic growth, but a key component in addressing development challenges (OECD, 2009). Although there are still contestations on whether growth in ICTs causes economic growth or economic growth leads to ICT growth, some available evidence suggests that GDP and telecommunications growth have causal effects in both directions (Hardy, 1980; Cronin, 1991; Norton, 1992; Alleman et al, 1994). Investment in telecommunications infrastructure, such as backbone infrastructure, is considered part of productive spending, as it has an effect on long-run aggregate supply. Such investments were found to have significant effects on growth (Röller and Waverman, 2001). The impact is twice as large for those economies that already have a substantial network infrastructure in place, and/or have achieved universal coverage. A study of OECD countries over the period 1985 to 1997 observed that a one per cent change in GDP corresponds to roughly an eight per cent change in investment, demonstrating large telecom investment sensitivity to the economic climate (OECD 2009). Indeed, the economic declines of 2000 in Europe saw severe declines in telecommunication investments.

Work by Quiang and Rossetto (2009) shows that access to affordable, high quality broadband and mobile phone services promotes development across all levels of an economy. A ten per cent increase in high speed internet connections is shown to result in an increase of up to 1.3 per cent in overall economic growth. The evidence also shows that different ICT technologies have different impacts on growth, with fixed telephony having the lowest impact and broadband the highest impact (see Figure 9.5). Such evidence suggests that embracing new ICTs could enhance productivity growth and, depending on how the benefits of growth are distributed, could help reduce poverty.

Table 9.4: Zimbabwe’s internet and broadband, 2000-2008.

<table>
<thead>
<tr>
<th>Year</th>
<th>Internet subscribers (000s)</th>
<th>Internet subscribers per 100 inhabitants</th>
<th>Internet users (000s)</th>
<th>Internet users per 100 inhabitants</th>
<th>Broadband subscribers total (000s)</th>
<th>Broadband subscribers per 100 inhabitants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>30.0</td>
<td>0.24</td>
<td>50</td>
<td>0.40</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>2001</td>
<td>35.0</td>
<td>0.28</td>
<td>100</td>
<td>0.80</td>
<td>0.8</td>
<td>0.01</td>
</tr>
<tr>
<td>2002</td>
<td>40.0</td>
<td>0.32</td>
<td>500</td>
<td>3.99</td>
<td>2.8</td>
<td>0.02</td>
</tr>
<tr>
<td>2003</td>
<td>83.0</td>
<td>0.66</td>
<td>800</td>
<td>6.39</td>
<td>6.4</td>
<td>0.05</td>
</tr>
<tr>
<td>2004</td>
<td>90.0</td>
<td>0.72</td>
<td>820</td>
<td>6.56</td>
<td>9.0</td>
<td>0.07</td>
</tr>
<tr>
<td>2005</td>
<td>96.0</td>
<td>0.77</td>
<td>1,000</td>
<td>8.02</td>
<td>10.2</td>
<td>0.08</td>
</tr>
<tr>
<td>2006</td>
<td>97.0</td>
<td>0.78</td>
<td>1,220</td>
<td>9.79</td>
<td>10.2</td>
<td>0.08</td>
</tr>
<tr>
<td>2007</td>
<td>99.5</td>
<td>0.80</td>
<td>1,351</td>
<td>10.85</td>
<td>15.2</td>
<td>0.12</td>
</tr>
<tr>
<td>2008</td>
<td>99.5</td>
<td>0.80</td>
<td>1,421</td>
<td>11.40</td>
<td>15.2</td>
<td>0.12</td>
</tr>
</tbody>
</table>


Mobile phone growth and economic performance

With respect to mobile telephony, which has greater relevance for Africa, the available evidence suggests that a ten per cent difference in mobile penetration levels translates to a 0.6 per cent difference in economic growth rates (Waverman, 2005: 2). When the same (Waverman) model was specifically applied to developing countries, it was found that the impact was in fact double the average: a boost in economic growth of 1.2 per cent for every ten per cent rise in mobile users (GSMA, 2007). Recent studies have concluded that, in fact, the development impact of mobile phone technology is understated by as much as 75 per cent, because analyses have tended to focus only on the direct impact on GDP, and have ignored the indirect impact on downstream industries and consumer benefits (McKinsey, 2006). Considered together, the

Figure 9.5: Growth effects of ICT.

Sources: Qiang, 2009; World Bank, 2009b.

Note: The y axis represents the percentage-point increase in economic growth per ten-percentage-point increase in telecommunications penetration. All results are statistically significant at the one per cent level, except for that of broadband in developing countries, which is at the ten per cent level.
impact of mobiles on economic development comes to eight per cent of GDP (McKinsey, 2006; Waverman, Meschi and Fuss, 2005). Empirical evidence from the East African countries of Kenya, Tanzania and Uganda shows that in 2006, a ten per cent increase in mobile penetration was estimated to have contributed as much as 1.25 per cent to GDP (Deloitte, 2007). A recent study by Deloitte and Touche (2007) covering Serbia, Bangladesh, Ukraine, Korea, Malaysia, Thailand and Pakistan found that the contribution of mobile phone technology to GDP amounted to between 4.5 and six per cent, and had contributed to the creation of 36,000 jobs (in Serbia) and 244,000 (in Pakistan) (Focus, 2008). Mobiles contributed as much as 24 per cent of the tax revenue of the countries studied.

In a GSM Association report (2008), it is estimated that for every dollar invested in the mobile industry in Africa between 2000 and 2012, US$0.80 will be earned as tax revenues by governments, with more accruing indirectly. The report argues that lower tax will increase usage and in turn increase revenues, as more people can afford to be connected. It is further argued (Hausman, 1997) that the ‘dead weight’ loss caused by mobile taxation is likely to be more significant when demand is relatively elastic, and when industry has relatively high fixed costs and relatively low marginal costs. Quite clearly, a case can be made for the growth-enhancing potential of telephony and ICTs in general. A key question, however, is whether this growth generated by ICTs and telephony can be linked to poverty reduction efforts in post-crisis Zimbabwe.

**Telecommunications and poverty alleviation**

There have been studies done to find out if an increase in teledensity (i.e. more access to telecommunications per 100 people) is pro-poor in terms of its growth impacts (Forestier et al, 2002). Cross-country evidence suggests that, prior to the internet (and to mobiles) increased teledensity in fact led to greater inequality. However, emerging evidence indicates that newer technologies such as the internet and mobile phones can be a source of growth that diminishes income inequality, if appropriate policies are put in place for harnessing these technologies for the common good. This finding reinforces the important role of policy frameworks and regulatory regimes that focus on the big picture and place the sector’s development within the macro-economic and social development sphere.

A Socio-Economic Impact of Mobiles (SIM) project launched by Vodafone in 2004 tracked these benefits through research conducted in Kenya, Tanzania, South Africa and Egypt. The project found three broad categories of benefits the poor may receive. Firstly, mobiles offer *incremental benefits*, through enabling people to be more efficient in whatever they have already been doing. Fishermen in Kerala in India were able to coordinate supply and demand for their catch and respond more efficiently to market demand, thus reducing waste and minimising the risk and uncertainty of the market (Abraham, 2007). Fishermen’s profits went up by eight per cent and consumer prices went down by four per cent, thus benefiting both the producer and the consumer (Jensen, 2007). In Kenya, the Kenya Agricultural Commodity Exchange (KACE) provides prices to farmers through text messages, enabling them to decide whether or not to deliver, where and when to do so, and often avoiding costly trips. Mobiles have enabled traders to overcome the challenges associated with physical distances, and lack of information. Studies in Tanzania found mobiles obviate the need to travel long distances to look for employment, enabled friends and relatives to keep in touch and enabled access to health and emergency services (Vodafone, 2004).

Secondly, there are *transformational benefits*, through new and innovative offerings that unlock opportunities that were not previously available. The most celebrated of such benefits is mobile banking (m-banking), which has enabled many rural people who have never had a bank account to access micro-financing, receive money remitted from their relatives in the cities, and to pay for goods and services without the need to travel or carry cash. Successful mobile banking projects in Africa have been undertaken in South Africa (WIZZIT) and Kenya (M-Pesa). There is now a stampede by operators to join this growing market.

The third cluster of benefits is *production benefits*, resulting from the creation of new livelihoods. The selling of phone cards and airtime is a common sight in Africa, and many small businesses sell second-hand mobile phones. These activities generate thousands of jobs (ID21, 2007; ODI, 2009). Mobiles have also created business opportunities, and increased profits for small traders in Egypt and South Africa. A review of the social and economic development impact of the Grameen Village Phone Program in Bangladesh established that incomes for phones operators averaged between 24 and 40 per cent of household incomes, and left the owners socially and economically empowered (Richardson et al, 2000). Up to a quarter of a million people in Bangladesh depend on the mobile industry for a living, either directly or indirectly.

The success of any technology or innovation is judged by its rate of adoption (Agarwal and Peasad, 1998). If we use this measure to assess the benefits of mobile technology, it can be said to have passed the test of acceptance in the developing world, particularly in Africa.

**Mobiles and financial services: mobile banking and remittances**

One transformational and developmental feature of mobile phones has been giving the poor access to financial services to which they would not have otherwise had access. Access to financial services can be seen as a public good and is important in enabling people to participate in the modern, market-based economy (Arun and Hulme, 2008). It is therefore a tool for social and economic inclusion and an important component of poverty alleviation. Demand for financial services in Africa is high, despite the low levels of income (UNCTAD, 2007b: 19), and research has shown that both the poor and rural people have the desire to save and will do so, given the opportunity (de Soto, 2000). The main reasons for the poor not having bank accounts is the unavailability of banking networks (due to the prohibitive costs for banks to open outlets in far-flung places) and the fragmented and segmented structure of the financial sector in Africa. Other reasons include high transaction costs and stringent formalities for opening an account (Ivatury and Pickens 2006). Mobile banking brings all the benefits of a formal bank, minus the hassles and the costs, plus the advantage of mobility.

Globally there is a huge potential market for mobile banking. Only one billion of the world’s 6.5 billion people have bank accounts, yet there are now more than four billion mobile phones. The World Bank estimates that in many developing countries, over half the population has never had a bank account. The Consultative Group to Assist the Poor estimates that 80 per cent of the population in UN-designated least developed countries have no access to banking (CGAP, 2009). It is also estimated that only
Reducing poverty and promoting growth

From a business point of view, figures from McKinsey and Company indicate that mobile money has the potential to deliver up to US$5 billion in direct revenues for mobile operators, and US$2.5 billion in indirect revenues per year by 2012 (GSMA, 2009). This is on the basis of the service being adopted by an additional 364 million unbanked customers. The market size growth projection is put at 1.7 billion people in developing countries with mobile phones but no access to financial services by 2012, up from the current one billion (CGAP, GSMA 2009).

Africa is an interesting proposition for mobile banking, because of the combined impact of rapidly increasing mobile penetration and very low access to financial services, as well as the existence of large populations of people living abroad and supporting their families and relatives back home through remittances. With mobile penetration expected to grow, so will access to financial services that are mobile enabled. The weighted average percentage of population with access to financial services is approximately 23 per cent, which makes it comparatively lower than in other regions (GSMA, 2009). Mobile penetration levels and access to financial services for selected countries are shown in Table 9.5.

Table 9.5: Selected regional countries’ access to financial services and mobile penetration, 2008 and 2012.

<table>
<thead>
<tr>
<th>Country</th>
<th>Access to financial services (%)</th>
<th>Mobile penetration (%)</th>
<th>2008</th>
<th>2012*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanzania</td>
<td>5</td>
<td>33</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>Kenya</td>
<td>10</td>
<td>49</td>
<td>101</td>
<td></td>
</tr>
<tr>
<td>Liberia</td>
<td>11</td>
<td>29</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td>Mozambique</td>
<td>12</td>
<td>26</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>13</td>
<td>26</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Zambia</td>
<td>15</td>
<td>31</td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>Sudan</td>
<td>15</td>
<td>29</td>
<td>73</td>
<td></td>
</tr>
<tr>
<td>Nigeria</td>
<td>15</td>
<td>46</td>
<td>97</td>
<td></td>
</tr>
</tbody>
</table>

* Projected.


Globally remittances continue to grow in size and significance to national economies. They are the second largest financial flow into developing country economies after foreign direct investment (Scott et al, 2004). Remittances are popular in Africa, with estimates of over US$ 90 billion sent back home by migrant workers every year (Ericsson, 2007). Remittances through mobiles are up to ten times cheaper than other forms of remittances. This reason alone makes mobile banking an attractive alternative in Africa. Mobile banking was popularised in the Philippines (Porteous, 2006). In Africa, South Africa’s WIZZIT, started in December 2004, is an example of this (Ivatury and Pickens, 2006). M-Pesa – a mobile banking service introduced by Kenya’s leading mobile operator, Safaricom, in March 2007 – is another example offering money transfers, airtime top-up and transfers, and payments for utilities such as electricity bills. It competes very favourably in the money transfer market. Other money transfer platforms have lost market share and now control only three per cent of total transfers, from close to a tenth of the total transfers two years ago. A major selling point for the mobile operators is their relatively low transaction costs. Official data on cash movement in the Kenyan economy shows that nowadays 47 per cent of all money transfers take place through the mobile phone (Business Daily, 14 Sept 2009). A survey in Kenya done by Financial Sector Deepening on behalf of the Central Bank of Kenya, found out that nine out of ten users of mobile cash transfers say they are mainly attracted by convenience, almost instantaneous speeds, safety and relatively lower transaction costs.

Lessons for Zimbabwe’s recovery programme

Based on this analysis, it is clear that recovery for the ICT sector will mean four key priorities. Firstly, there will be a need to implement a sound ICT policy that recognises the central role of ICTs in national development. This should be based on a robust and coherent framework that responds to the cross-sectoral nature of ICTs. This is one way to avoid contradictions and suboptimal resource utilisation. The establishment of a Ministry for ICT creates an institutional base, from which to direct a sound policy environment for the sector. We emphasise here that policy should be evidence-based. This necessarily means looking at how the comparative experience can be adapted to suit the Zimbabwe setting. One advantage of the time warp created by the crisis in Zimbabwe is that we can avoid mistakes made by the trailblazers if we are careful enough in formulating a sound policy environment that embraces and promotes rather than hinders ICT development.

Secondly, promoting competition and public-private partnerships will be key. A recent ICT survey in Zimbabwe identified as priorities infrastructure development, finance mobilisation, and human resource development and capacity building. On infrastructure and financial resource mobilisation, the critical issue is to open the market to competition and create a policy and regulatory environment that is investor friendly. The growth of ICTs in African countries such as Nigeria is directly linked to creating a competitive environment, lowering barriers to entry, and allowing market forces to determine the pace of growth. Competition encourages investment and reduces access costs for consumers. The telecommunications market in Zimbabwe cannot be said to be competitive with only one dominant player.

The third priority is capacity building. Countries that use the ICT industry as an export market have invested in human capital development. Simply implementing the right policies and regulatory environment will not produce the skills to run the sector, or attract back lost talent. In the long term, there is a need to create an e-culture that extends to primary education, and promotes ICT use at an early age. At tertiary level it is essential to establish centres of excellence in ICT. The state can lead this, but private sector involvement is also needed.

The last priority is sector regulation. A perception that regulation and regulators have been subjected to political interference and serve the state rather than citizens diminishes confidence and the ability to fully embrace the opportunities that ICTs offer. It is in the interest of ICT sector growth, and the long-term interest of the inclusive government, to promote regulatory environments
that build trust and confidence amongst mobile firms, investors and consumers to facilitate ICT-enabled development. POTRAZ is a caricature of what a good regulator should be, meaning that there is a lot of image cleansing that needs to be done. Regulatory legitimacy is earned through the perceptions of the parties that are regulated, and not necessarily through the statutes that created it. It is in the interest of the growth of the ICT sector, and the long-term interest of governments, to support the establishment and development of regulatory environments that provide mobile firms, investors and consumers with the confidence and trust that will facilitate ICT-enabled development. Regulation is about balancing the interests of all stakeholders, investors, consumers, employees and operators (UNCTAD 2007a).
CHAPTER 10: Public services

10.1 Introduction

Public services translate political vision into implementable policies and programmes that transform the daily lives of people. They offer a range of services, such as education, social services, and infrastructure. As public services link the ordinary citizen with the state through the delivery of services, public servants are expected to demonstrate and display impartiality and a high degree of professional rectitude in the discharge of their responsibilities. If, for whatever reason, the trust and relationship that citizens bestow on public officials and government diminish, a social crisis arises. In this chapter we look at developments in Zimbabwe's public services from 1980 to 2008. The chapter then identifies interventions to make public services more efficient and effective in service delivery. For the purpose of this discussion, the focus is on the civil service as public officials under the employment of the Public Service Commission. It therefore excludes the army, security agencies and the police.

10.2 Context and background

At Independence in 1980, the country inherited a settler colonial administration, with socio-economic delivery in favour of a minority white settler community and urban areas. The primary function of the colonial administration was to maintain law and order. The post-Independence government put in place public service programmes to repair, maintain and construct new public infrastructure, and increase agricultural development and marketing, particularly in the marginalised rural areas. The government developed policies to meet the expectations of its citizens and adopt administrative structures to deliver on the national agenda in many areas of development. In order to accelerate national development and acceptance of the public service by the majority, then Prime Minister Robert Mugabe issued a directive in 1981 that Africanised the public service. The public service was tasked with making the government vision and agenda of a socialist transformation of society operational, as articulated in the 'Growth and Equity' document, supplemented by the Three Year Transitional Development Plan. The state was not always able to develop and implement its own policies, due to imposed strictures and shortages of specialist skills in various sectors, such as education, health and engineering. Skills gaps were filled by employing expatriates, who often were not familiar with the political environment and value systems under which they were working.

Through Prime Minister Mugabe's directive the public service was transformed to deliver services that were in tune with the new social and economic environment. Hitherto marginalised groups, such as women and young people, were also targeted for development. Special ministries were created to promote and accelerate their development. Civil servants were trained at public service training institutes, in order to acquaint them with how government operated and to understand the rules and procedures governing service delivery. By the late 1990s the public service had grown to 192,000, from 10,570 in 1980. It had become the largest single employer and was also largely Africanised. The Prime Minister's directive of 1981 changed the face of public service without necessarily transforming the rules and regulations governing public administration. Although this institutional inertia delayed implementation, public services benefited from the many highly qualified Zimbabweans who returned after Independence. The civil service achieved most of the post-Independence successes in education and health that were examined in chapters 6 and 7.

Things began to fall apart when budget deficits began to grow, following the rapid expansion in service provision. By the end of the 1980s, economic growth was slowing down and the economy failed to generate the 500,000 jobs per annum needed to absorb the school leavers being churned out by a highly improved education system. The private sector was only generating 50,000 jobs per annum. Chapter 2 on employment discussed the reasons for this sluggish growth. Suffice it to say that the poor economic performance began to affect service delivery as well. The introduction of ESAP as a way of restructuring the economy also required the restructuring of the administrative machinery. Reforms demanded that the public service redefine its role, to focus on providing an enabling environment and regulatory frameworks that allowed the private sector to thrive. It was also required to outsource non-core functions through commercialisation and/or privatisation of parastatals. In addition, the civil service was required to exercise fiscal discipline in order to reduce government expenditure.

In general, ESAP was asking for less government, and as a result cuts in what the government provided were inevitable. There was a perception that the civil service had become bloated, with outdated management systems that were not responsive to the new social and economic challenges, leading to poor quality service delivery. Apart from the budget imperatives there were criticisms that public servants had assimilated the tradition of bureaucracy
Moving forward in Zimbabwe

Reducing poverty and promoting growth

The Zimbabwe Water Authority faced challenges as it failed to deliver reticulated water to urban residents, resulting in them using unprotected water sources, which contributed to the outbreak of cholera (Photo © Tsvangirayi Mukwazhi).

that emphasised process rather than results, and that they were unable to think outside of the box in order to deal creatively and innovatively with this new situation. The capability of the bureaucracy was weakened as many competent and experienced public officials left, either to new opportunities in the private sector or elsewhere. Inexperienced and junior staff were left managing public institutions in an environment that required strong leadership and management skills to advance appropriate and necessary policy reforms.

Most of these issues were nothing new and had been raised in the late 1980s, when the government commissioned a review into the state of the public administration and civil service performance. The 1989 Public Service Review Commission Kavran Report revealed, inter alia, a bureaucracy characterised by: a lack of performance management culture; arrogance and poor attitudes to work; high staff turnover; and a bloated, centralised and secretive bureaucracy that was non-transparent, suffered poor communication of decisions and was inaccessible to the public. It further noted that the public service suffered from over-complicated rules and procedures, overlap and duplication of functions – facets not conducive to promoting a liberalised economy. These characteristics led to delays in service delivery and in responding promptly to public needs. Ineffective and inexperienced staff undermined professional integrity and commitment to duty. The emerging arrogance of civil servants compromised professional standards. Corruption and underhand dealing in service delivery also emerged. The hallmark of a professional civil servant was thus undermined. The administrative machinery was now used at times to service the interests of senior officials. State resources began to be diverted for personal gain. Discipline and commitment to duty were divided, as public officials now also engaged in illegal private activities in order to supplement their meagre incomes. Public offices became market places, where officials sold goods, such as vegetables, meat, bread and trinkets, and services, such as the issuing of licences, passports, placements for nurse or teacher training, and entrance to tertiary institutions, to candidates with inappropriate qualifications. There was therefore a definite need to redefine the role of government to bring it in tune with the economic liberalisation taking shape.

After the initial reforms, the public service commissioned a customer satisfaction survey in 1996. Although this was nearly ten years after the Kavran Report, the survey revealed that little had changed. An image emerged of the public servant as an arrogant, impolite and self-serving person, resulting in poor quality service delivery, as if the public had no right to demand or enjoy a better service. The perception clearly demonstrated the need for a paradigm shift by the public service regarding the manner in which they rendered services, managed public institutions and related to the public.

The administrative restructuring that introduced cost-cutting measures in order to reduce the budget deficit led to further social dissatisfaction, as retrenched civil servants also joined the ranks of the unemployed. The public became the victim, with public services being rendered by newly formed companies that had no
business experience, as part of the outsourcing advocated by the reforms. It was against this background of economic liberalisation that frequent labour and public servant strikes emerged, due to job losses occasioned by a receding economy and corruption. The poor perception of the civil servant, coupled with a decline in the quality of service, further increased social disgruntlement. Civil society organisations became vocal in articulating the need for greater stakeholder engagement in policy, and programme design, and the promotion of openness and accountability in the management of government. This led to another round of managerial reforms in the public services.

Public Service Reform Programme (PSRP) 1997-2002

ESAP had adverse social effects, as the intended outcomes (macroeconomic stabilisation, an expanding economy, increased employment creation resulting in improved standards of living, and a slim, effective and efficient public service) did not materialise in full. The social fabric was eroded because of high unemployment, rising costs, deterioration of infrastructure due to low investment, and revenue loss due to economic decline. A general decline in public services ensued and staff morale deteriorated further. Public officials adopted a ‘don’t care’ attitude to work, resulting in poor quality services for the public. Further measures were therefore required to restore quality of service and to strengthen the capability of the public service to sustain implementation of the reforms. There was also a need to develop and adopt measures that linked economic policy to social development by incorporating socio-economic goals and sustainable development into the reform programme. This was articulated in the Zimbabwe Programme for Economic and Social Transformation (ZIMPREST) 1996-2000.

This new thinking required the government to restrict its role to that of supporting and facilitating private sector development, along with empowerment, economic expansion and civic participation in the decision-making process. These objectives were to be achieved through modernisation and a re-orientation of the public service to focus on results, by installing results-focused public management systems. The aim was to enable the administrative machinery effectively to meet the combined objectives of containing expenditure and addressing the socio-economic imperatives of poverty reduction, improving people’s living standards and promoting gender equality. In supporting private sector development, the public sector was expected to provide policy and regulatory frameworks and adopt an entrepreneurial approach to management, borrowed from the private sector. This new thinking, termed ‘the new public administration and management’, was adopted from the Organisation for Economic Cooperation and Development (OECD) countries. The hope was that it could be replicated successfully in African countries, so that public services focused on results less than on process, paid attention to reducing costs and providing value for money in service delivery, and rebranded services to be customer focused.

Ongoing reforms continued to outsource non-essential services, such as cleaning and catering, to the private sector. Subcontracting reduced the number of posts by 10,520. Functions were streamlined in order to reduce duplication. Decision making was to be expedited by压缩 the top level grades from six to three. Some government departments were commercialised, such as Custom and Excise, now designated as the Zimbabwe Revenue Authority (ZIMRA), and Printing and Stationery, now Printflow. The Department of Water morphed into the Zimbabwe Water

### Table 10.1: Progress in commercialisation and privatisation of public services.

<table>
<thead>
<tr>
<th>Departments targeted for commercialisation</th>
<th>Commercialised departments to date</th>
<th>Departments targeted for implementing cost recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Water Development</td>
<td>Zimbabwe National Water Authority (ZINWA) facing capability challenges to provide reticulated water to the public.</td>
<td>Salary Service Bureau</td>
</tr>
<tr>
<td>Central Mechanical Equipment Department</td>
<td>Central Mechanic Equipment Department CMED Pvt Ltd.</td>
<td>National Archives</td>
</tr>
<tr>
<td>Department of Civil Aviation</td>
<td>Civil Aviation Authority CAA</td>
<td>Immigration Control</td>
</tr>
<tr>
<td>Hotel and Hospitality School</td>
<td>Hotel and Hospitality School</td>
<td>Research and Specialist Services</td>
</tr>
<tr>
<td>Department of Roads</td>
<td>Zimbabwe National Road Authority ZINARA</td>
<td>Lands and Technical Services</td>
</tr>
<tr>
<td>National Parks and Wildlife</td>
<td>National Parks and Wildlife Authority</td>
<td>Dental Services</td>
</tr>
<tr>
<td>Printing and Stationery</td>
<td>Printflow Pvt Ltd, performing reasonably well.</td>
<td>Central Vehicle Registration</td>
</tr>
<tr>
<td>Customs Excise and Tax</td>
<td>Zimbabwe Revenue Authority ZIMRA, performing reasonably well.</td>
<td>Vehicle Inspection Department</td>
</tr>
<tr>
<td>Government Medical Stores</td>
<td>Government Medical Stores</td>
<td></td>
</tr>
<tr>
<td>Central Statistical Office</td>
<td>Pending</td>
<td></td>
</tr>
<tr>
<td>Registrar of Banks</td>
<td>Pending</td>
<td></td>
</tr>
<tr>
<td>Pensions and Provident Fund</td>
<td>Pending</td>
<td></td>
</tr>
<tr>
<td>Dental Services and Laboratory</td>
<td>Pending</td>
<td></td>
</tr>
<tr>
<td>Natural Resources Department</td>
<td>Environment Management Agency</td>
<td></td>
</tr>
</tbody>
</table>
Authority (ZINWA). It faced capability challenges as it failed to deliver reticulated water to urban residents, resulting in them using unprotected water sources, such as wells and polluted rivers, which contributed to the outbreak of cholera. The government has since reversed its decision and water is now being provided by local authorities, with ZINWA reverting to issuing water rights and the construction and maintenance of dams. Table 10.1 shows progress in the commercialisation and privatisation of public services. The net result of these measures was to reduce the number of posts by 15,595, making the administrative structure flatter. This should have resulted in quicker decision making, as reporting lines were reduced.

To improve governance and the engagement of a disgruntled civil society in policy design and implementation, the National Economic Consultative Forum (NECF) was launched in Parliament in 1997. This think tank brought together key stakeholders, from government, industry, academia, professional bodies, activists, labour, gender groups and civic organisations, to contribute to reforms through open and transparent discussion of policies and strategies to enhance macroeconomic stabilisation, governance, job protection and conflict resolution. The NECF acts as a hub of smart partnerships and dialogue, and endeavours to create win-win situations, wherein recommendations from the various NECF subject-specific task forces contribute to policy analysis and programme development. This also enhances the capacity of public servants to produce high quality policies and programmes through knowledge sharing between government officials and the citizens they serve. The NECF does not itself implement projects or programmes – that is left to social partners – but it does act as a reservoir of critical analysis in areas of concern, through the creation of task forces. These task forces are well represented in terms of gender and specialist skills knowledge. The NECF is chaired by the Chief Secretary to the President and Cabinet and a partner from the business sector, and it falls under the Ministry of Finance. This arrangement is replicated at the task force level, with requisite Permanent Secretaries representing the government. The effect of this forum has been to enhance civic participation in the decision-making process. For example, in 2006 the NECF Human Resource Task Force commissioned an ‘Analysis of the causes and effects of the brain drain in Zimbabwe’, sponsored by UNDP and conducted by the Scientific and Industrial Research and Development Centre. This sought to determine the magnitude and extent of the brain drain and offered recommendations towards the retention and attraction of critical mission skills, required to sustain economic recovery for both the private and public sectors.

The study revealed that skills shortages were across the board. They ranged from high level technical, specialist and managerial expertise to lower level frontline grades in agriculture, construction and mining, education (science and maths teachers), transport, commerce, finance and insurance, legal and health. Reasons given for emigration included 56 per cent economic and 25 per cent self-advancement. Sixty-three per cent indicated that they would stay in Zimbabwe if macroeconomic stabilisation was achieved. In addition the report revealed that recipient countries offered career and economic opportunities and remuneration packages, enabling immigrants to afford decent housing and education for their families – opportunities which were no longer affordable in Zimbabwe due to the economic decline and inflation.

The NECF’s analysis recommended putting in place a package of incentives in order to retain and attract the required skills, such as topping up salaries, providing transport and housing allowances, incentives to establish business enterprises for those with technological and scientific expertise, the establishment of a skills retention fund to award critical allowances in key areas suffering human resource shortages, and developing a skills database that would match skills to critical economic sectors. These recommendations were adopted by the Cabinet but have not been implemented, due to a critical shortage of financial resources and technical skills. These ideas, if they were to be implemented, would strengthen the capacities of the public service to sustain reforms and contribute to the development of high-value policy analysis, as a result of the inward transfer of skills, knowledge and expertise from diasporans. This in turn would reduce the recruitment of expatriate expertise to critical specialist areas and enhance the empowerment that comes from developing and implementing home-grown solutions.

As this example demonstrates, the deliberations of NECF task forces contribute to policy formulation. They offer an opportunity for public servants to do things differently by, inter alia, making policy formulation more accessible, responsive and accountable to the public through this interaction with civil society. Some of the issues arising from the NECF and its task forces have contributed not only to policy but also to the establishment of structures for specific purposes. Thus, civil society is given an opportunity to participate in the decision-making process and to facilitate a continuous dialogue towards openness between public officials and citizens, helping to promote accountability.

10.3 Public Service Reform Programme 2002-08

The first phase of public service reforms discussed above focused on downsizing, implementing cost-saving measures to reduce the wage bill, and public expenditure measures to improve performance. The second phase, whilst building on the first phase, concentrated on ‘enhanced performance and service delivery, putting citizens first and promoting good governance’ (GoZ, 1998c). Efforts to downsize government through reforms paid off. The civil service was downsized from 192,000 in 1990 to 161,101 by December 2007. Of these, 144,015 posts were filled while 17,086 vacancies existed due to high staff attrition. Frequent economic policy announcements became the norm during the crisis, even though they were without tangible correlating supportive measures and linkage to the ongoing public service reforms.

The measure of public service performance is a function of the policy environment, including its capacity to carry out high quality policy-making functions and implementation. In this respect, high standards in public servants’ performance and behaviour relating to honesty, integrity and ethical standards in service delivery must be adhered to and regulated by rules and procedures. From about 2003 these elements had begun to diminish, as public servants continued to be disgruntled by their low wages and poor working conditions. Ethical standards had to be restored through the reforms. To this end in 2005 the public service reform instituted a performance management system, in order to improve service delivery. Performance agreements were introduced for the permanent secretary, with individual work-plans, derived from the organisational strategic plan, used to assess individual officers at the operational level. Client charters and service delivery targets were also institutionalised as part of performance management, in order to make public servants more client-focused and accountable.
Senior public officials were expected to lead, own and manage the reform process by demonstrating strong leadership skills that focused on outlining the organisational vision and mission. This was complemented by ministry strategic plans focused on results, with specific targets, time-frames and budgets.

Permanent secretaries were expected to conduct regular performance reviews of their staff, in order to ensure that the intended objectives were met. They were also expected to promote and enable learning and knowledge management within their portfolio for this purpose, and to lead and manage high-performing teams. However, no incentives were included to reward high performers or sanction poor performers. Furthermore, the role of the accounting officers in leading the process was not clear. During this period a code of conduct was also introduced and cascaded in all ministries. A computerised human resources information management system was introduced, initially at the Public Service Commission and subsequently (subject to resources) to be cascaded to line ministries, in order to facilitate appropriate staffing levels, career planning, promotion, staff appraisal and disciplinary action, incentives and time management.

The permanent secretaries are central to the effective implementation of the reforms. As accounting officers, they should provide leadership for the process. It is not clear to what extent this role is recognised in the programme and whether they themselves perceive and accept this role. Performance appraisal of staff from ministries appears to be subjective, as they do not correlate with the poor quality of services delivered to the public by the same officers. Leadership is critical to secure commitment to change. Executive management training is therefore important, to strengthen managers’ capabilities to lead reforms and command innovative teams. Lastly, a clear communication strategy needs to be put in place to inform all staff on progress, as reports revealed that most operational level staff did not know or understand the mission or vision of their ministries. They frequently complained also of slow decision making, despite the fact that top level reporting levels were compressed from six to three. This may be indicative of senior officials’ reluctance to make decisions and to take risks on outcomes the results of which are not predictable in an unstable environment.

Recruitment and promotion to the public service was professionalised in the second phase of public service reforms. The process now uses open competition, rather than recruitment within and seniority in the service. Assessment and examination as well as interviews are used to recruit and promote competent people to the public service. Assessment centres are used to assess and examine potential candidates for recruitment into various positions in government, with a view to matching skills to jobs, and accompanying performance appraisals and reward systems are put in place. In order to have high-performing civil servants, specific capacity-building programmes became essential. Thus, the executive management development programme was instituted at the Zimbabwe Institute of Administration and Management (ZIPAM), targeted at middle managers and above, in order to enhance management skills. However, the commercialisation of ZIPAM delinked it from the provision of adequate back-stopping services essential to the reform process, such as training, research and consultants’ services. It needed to refocus its mandate to support the ongoing reforms. Specialist courses for economists, accountants and pension management were negotiated and conducted at other tertiary institutions on behalf of the Public Service Commission. The public service continued to identify specific training requirements for in-service training through bilateral and multilateral agreements. A computerised performance financial management information system was introduced, with the aim of supporting expenditure control and financial accountability in resource utilisation by all ministries.

**Coordination of reforms**

To coordinate the reform process, change management units were established in each ministry and coordinated at the Public Service Commission by a national coordinator linked to the Office of the President and Cabinet Reform Unit. This Office is well positioned to assume the role of policy oversight and coordination. However, there have been no meaningful, systematic assessment measures to evaluate the efficacy of the Office in discharging this responsibility. It is paramount that policy cohesion and linkages are established and synchronised, to avoid the fragmentation associated with earlier reforms and in order to accomplish the intended socio-economic outcomes. Adequate timelines to implement the programme are needed, since reforms are not one-day events. They take a long-term perspective on changing people’s attitudes, reducing resistance to change and adopting new methods and technology, and need sufficient resources to compete with other societal demands.

Political uncertainty has also contributed to an unstable policy environment, hampering the overall programme goal of creating an enabling environment for reforms. The magnitude of corruption, though not quantified, is also leading to poor quality service delivery, lethargy and poor work ethics. It would be useful if the Anti Corruption Commission could disaggregate the cases so far dispensed, to indicate the prevalence, scale and type of illegal activities in the public sector. The data would quantify the resources lost to government for improving service delivery. One of the problems is also that the legal framework on corruption is weak, as it places the burden of proof on the prosecution instead of requiring the accused to prove how wealth was acquired.

**Civic participation and gender mainstreaming**

Civic organisations are involved in policy and programme design, in order to enhance public responsiveness and accountability. This is conducted through the NECF and its various task forces mandated to examine key issues, in order to provide evidence-based information in policy formulation and the decision-making process. The client charter is also used to promote accountability and improve the standards of services, and suggestion boxes are used to capture public concerns for redress.

Gender mainstreaming mechanisms were put in place in all ministries and treated as a key result area. Affirmative action was adopted as a strategy for training women and promoting them to senior management positions, with the aim that by 2005 30 per cent, and by 2015 50 per cent, of decision-making positions would be held by women. By 2006, of the 32 permanent secretaries only six were women. Of the 13 state university vice chancellors, only one is a woman. This demonstrates that the strategies in place have not been sufficient to overcome the institutional and social barriers to women’s emancipation or to meet the 2005 goal, which has already been missed.
Reducing poverty and promoting growth

Monitoring and evaluation
The Monitoring and Evaluation Department Unit in the Office of the President and Cabinet was set up to coordinate, direct and give some control and oversight of policy reform initiatives. Financial management and the installation of the electronic financial management system were introduced, led by the Ministry of Finance, in order to improve financial accountability and expenditure control. Several other policy initiatives and measures were introduced, including job evaluation and job profiling to match skills to tasks, and institutionalisation of the capacity to conduct cost/benefit audits, with the purpose of improving the overall performance of the public service and its contribution to national development.

Status of the reforms
Table 10.2 compiles some of the measures implemented, their status and outcomes, including comments on the reforms.

<table>
<thead>
<tr>
<th>Goal</th>
<th>Status</th>
<th>Outcome</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Performance management system</td>
<td>• Performance agreements in place for permanent secretary’s strategic and work plans. Permanent secretaries’ staff trained in the system.</td>
<td>• Most civil servants know their ministry vision and mission and have individual action plans.</td>
<td>• No tangible results on impact of these systems in service delivery. Nor that permanent secretaries have been individually assessed for organisational performance.</td>
</tr>
<tr>
<td>• Public service behaviour: rules and regulations applied for misconduct</td>
<td>• Customer survey conducted at immigration border posts. • Client charter in all ministries. • Anti-Corruption Commission established in 2004 and several cases of misappropriation of state funds dealt with by Public Service Commission. • Inspectorate and Audit Agency investigations.</td>
<td>• Public satisfied with the sign-posting. Benches to sit exist but are few. Staff are courteous. • Not all ministry staff aware of client charter existence and purpose. • Anti-Corruption Commission received 1,513 corruption cases: 60 cases completed in courts, 180 administratively completed and 310 awaiting prosecution. • Officials in the Welfare Department discharged for misappropriating BEAM funds. • Grain Marketing Board and councillors arraigned for converting agricultural inputs to own use through forgery of documents, after public service inspector uncovered the illegal action. • Underhand activities perceived to exist at border posts. Not all officials are familiar with client charter contents. • Need to conduct regular customer satisfaction survey in order to assess conduct of public officials. • Corruption data not yet disaggregated to reveal public and private officials’ involvement. • Need to further capacitate this agency, in order to route out corruption in the public service.</td>
<td></td>
</tr>
<tr>
<td>• Human resources management</td>
<td>• Population of all organisational structures captured for ministries by the Public Service Commission. • All personnel details captured for all PSC secretariat staff.</td>
<td>• Delay in personnel data captured from ministries to complete programme.</td>
<td>• Need to install compatible computer hardware in ministries and set targets to complete exercise.</td>
</tr>
<tr>
<td>• Skills: best talent recruited and matched to functions. Continuous training.</td>
<td>• Job evaluation and profiling conducted for all public service positions. • Assessment and examination centre in place. • Staff development at internal and external training institutions.</td>
<td>• Better match between function and competence. • Assessments and examinations conducted for promotion to middle and senior management grades. • Human resources development plans submitted yearly by ministries to the Public Service Commission.</td>
<td>• No assessment to reflect improvement in service delivery. • Need to cascade assessment to ministries for lower level positions subject to funding. • No impact assessment done to reflect on training investment improvement to individual and organisational performance.</td>
</tr>
<tr>
<td>• Incentives and merit: public servants are appraisal rewarded and sanctioned, based on merit and performance.</td>
<td>• Compensation policy in place. • Transport and accommodation allowance provided for all grades incrementally according to grades.</td>
<td>• Public pay has increased considerably but still remains low, due to hyperinflation. Performance appraisals still tend to be subjective. • Public service buses now in major urban areas for public servants at subsidised fares.</td>
<td>• Incentives put in place to retain operational staff. Public service remains a training ground. Loss of operational staff continues to weaken service delivery. • Moonlighting is rampant in order to supplement meagre salaries across the grades.</td>
</tr>
</tbody>
</table>

Table 10.2: Status of public service reforms.
10.4 Conclusion and recommendations

This chapter has shown how the public service is a key player in the production and delivery of public goods. The public service also acts as a catalyst for promoting citizens’ involvement in the public domain, thus enhancing accountability and openness in the management of government business. This chapter has also shown, however, that in the absence of a strong command centre to allocate resources and to coordinate and provide political direction to reforms, the intended outcomes and benefits of the reforms may not be met. This section puts forward some recommendations for reinvigorating the public service in the post-crisis period.

The fundamental role of the Public Service Commission is to match skilled personnel with appropriate posts and compensation packages, to ensure effective and efficient implementation of government policies. This would ensure that there is a stable service delivery to the satisfaction of citizens. Unpredictable wage and salary levels for public servants in a hyperinflationary environment impact negatively on skills retention and job performance, and on the overall performance of government. Sustained efforts also need to be made to attract external assistance to support public reforms. Policy initiatives and public service reform measures are in place, but need to be strengthened and also refocused to provide policy coherence to other reforms. Policy coherence is necessary for national development priorities – especially poverty reduction and empowerment – to be realised, in conjunction with additional financial, material and technical resources, including the government’s own resources and those from development partners, as appropriate. Below are suggestions for strengthening the capacity of the public service effectively to implement the reform programme sustainably, achieve the desired results and contribute to reducing the crisis:

1. The Office of the President Reform Unit should be strengthened in strategic thinking, in order to enhance its capacity to provide high value policy analysis and coherence across government. By virtue of its strategic location, prevailing over all ministries, it can take a long-term view, is able to commission studies of a cross-cutting nature and can conduct strategic audits on where the government stands in respect to reform.

2. An implementation committee should be established. This should comprise all permanent secretaries, have a clear mandate, be linked to the Office of the President and Cabinet and the Public Service Commission, and be staffed by a high calibre person as secretary. This is critical if the challenges to implementation are to be addressed swiftly and to reinforce the champion role of the permanent secretary in the reform process.

3. Strengthen and capacitate all the permanent secretaries to take a leading role in the reforms through targeted staff development programmes, especially in corporate planning, strategic management and the promotion of a culture of excellence.

4. Strengthen the HIV/AIDS mainstreaming mechanism, in order to provide sufficient counselling support to those affected, and to raise awareness.
5. Encourage the filling of skills gaps in critical areas through brain gain by attracting from the diaspora. Develop a database for this purpose, and implement measures to retain these skills. Through bilateral and multilateral agreements, arrange for in-service and placement training of public officials in appropriate public service institutions.

6. Develop an effective internal communication strategy on progress made and best practice, and an external communication strategy to educate the public on the intention of the reform and to solicit their views.

7. Introduce information communication technology for public service management and service delivery across the public service.

8. Strengthen and capacitate the ZIPAM to refocus its mandate to develop and deliver cutting-edge training programmes that enhance public service performance, by requesting the parent ministry to assist with funding.

9. Develop the capacity of the public service to monitor and evaluate reforms, in order to provide evidence on which to base re-strategising of the reform process.

10. Conduct regular customer surveys, in order to enhance accountability and assess the conduct of public officials in service delivery and to ensure that services offered are accessible and meet client needs.

11. Strengthen the gender mainstreaming mechanisms, in order to reach the 30 per cent target of women in decision-making positions by 2015.

12. Sustain the trust generated by the NECF in contributing to policies and strategy formulation for economic stabilisation that would generate wealth and alleviate poverty, by providing the necessary resources for it to commission specialised studies as necessary.

13. Sustain the commercialisation of the remaining government departments, benchmarked and guided by those operating viably.

14. Conduct retreats and/or workshops to strengthen the relationship between ministers and permanent secretaries.
CHAPTER 11: Policy priorities: moving forward with an agriculture-led strategy

After nearly a decade of decline and misery, Zimbabwe now has an opportunity to move forward. This independent report outlines a strategy to hasten the recovery process by integrating policies to raise productivity, generate employment and directly tackle poverty. We are conscious of the fact that until a new constitution is formulated, and free and fair elections are held, Zimbabweans will be cautiously optimistic, while outside observers are likely to be tentative in their approach. And yet, during its tenure of office the inclusive government is expected to deliver a better economy and services to citizens, a majority of whom have been left impoverished by the decade long socio-economic and political crisis. It is with this in mind that this report has presented ideas on how to approach some of the key issues. In this concluding chapter we flesh out these ideas as a way to stimulate further debate and discussion rather than as cut and dried solutions.

11.1 Stabilising the economy and promoting poverty-focused growth

The key pillars of the Zimbabwean economy, agriculture and industry, took most of the hammering during the decline. We saw in Chapter 1 how these two are like two sides of the same coin. Once some of the measures taken under ESAP had downsized non-agriculture related manufacturing, it was inevitable that a decline in agricultural productivity growth would see a concomitant decline in agriculture-linked manufacturing industry. This decline in manufacturing generated further feedback, reducing demand for agricultural products and increasing unemployment, which further limited the sources of agricultural financing, especially in the smallholder sector. In short, people became too poor to farm and policies skewed toward the new, black commercial farmers did not help either. In trying to stabilise the economy it will be necessary to consider two possible pathways linked to the two lynchpins of the economy: these are the non-agricultural and the agricultural options.

Scenario 1: the non-agricultural option

The main premise of the non-agricultural approach is that agriculture as a sector is mortally wounded and without ‘mainly white’ large-scale commercial farming is unlikely to make a quick recovery. It therefore cannot make as significant a contribution to the economy as it did at its peak in the 1990s. This scenario also assumes that although many more people have access to land than at any time in the country’s history, the market fundamentals for agricultural productivity growth (land, technology, labour, finance) are unfavourable and only urban industrial growth will drive the economy out of the current state. The non-agricultural option will require attention to be paid to reviving the manufacturing sector, as well as taking advantage of new opportunities available in resource extraction (especially mining) and the service sectors (especially finance and tourism). With a focus mainly on the urban space economy, agricultural recovery would only emerge based on expanding demand for raw materials for the manufacturing sector. Growth would reduce poverty through employment creation and rising incomes that would trickle down to poor people in rural areas, many of whom may have to move to urban centres in search of employment.

This scenario is problematic in that it fails to take advantage of the resolution (however chaotic) of the agrarian questions that in part landed the country into the mess in the first place. Since a majority of the people who now have access to land are still too poor to farm, they would continue to rely on food relief while the economy stabilises and recovers. Based on past experience, there would likely be a march of the peasants into the cities in search of jobs, even though more people than ever before have access to land.

Scenario 2: the agricultural option

At its core, the agricultural option involves kick-starting the economy through a focus on agriculture and particularly small farmers. It has been shown in Chapter 4 that smallholder farmers now hold nearly two thirds of agricultural land and that it is this sector that will probably define the role of agriculture in the reconstruction of Zimbabwe. Focusing on agriculture has the advantage that it is the most direct way to address the plight of a majority of the poor in Zimbabwe. Their lives can only improve if rural incomes rise and the most direct way to bring this about, particularly following the land reform programme, is to increase agricultural incomes. Rising rural incomes can stimulate demand for manufactures and could therefore help revive the urban economy. This scenario takes advantage of the resolution of the agrarian question to expand the economy. It also impacts directly on a majority of the poor and would therefore generate greater popular support. It is this scenario that we throw our lot behind.

With this scenario, quick wins can be achieved by restarting agricultural production in communal lands, old resettlement areas and the ‘new’ A1 resettlement schemes by providing ‘full packages’
of agricultural inputs for at least the next three seasons. Smallholders in communal areas will need to be supported over at least three seasons on ‘full packages’, followed by a managed reduction of support over a further two years. We propose that the focus be on the smallholder farmers in regions 1 to 4. This would reach close to 30 per cent of the target group. Agricultural support will not be all that is required — for many households a social protection scheme will need to be set-up to restart production. We do not think the assistance package should be means tested as the mechanisms for doing so may lack credibility and could be abused in the current political climate. Available evidence also suggests that public works or cash for work would not function well in the current context. Apart from the fact that there is limited state capacity to monitor extensive workfare relief programmes, we also know that up to 60 per cent of the expenditure of such schemes is usually consumed by overhead costs. Perhaps, after a few years of free agricultural inputs, workfare relief programmes may be more feasible. In the medium to long term, agricultural recovery will depend on how some of the key outstanding issues affecting investment in agriculture are resolved. Below we highlight some of these.

11.2 Land reform: moving forward

Land reform was at the heart of the crisis, and the expectation is that the transition process will iron out some of the problems that have prevented the beneficiaries of land redistribution from growing their way out of poverty. As noted previously, the country now has an agricultural system comprising a large smallholder farming sector occupying about two thirds of all agricultural land. We see the main priorities following land redistribution as follows.

The unfinished business: tenure reform

There does not seem to be any logical justification for a continued dual tenure regime in Zimbabwe. This creates two classes of citizens. On the one hand are over 800,000 smallholders occupying some 14 million hectares of land under communal tenure, while on the other are nearly 320,000 resettled households occupying land on conditions that are much more favourable than their communal land peers. The inclusive government should revisit this and look at the innovative ways in which other countries in the region, especially Mozambique and South Africa, have dealt with similar problems.

Re-planning A1 units

Most of the nearly 141,000 beneficiaries resettled on A1 units lack basic social services and infrastructure, since most of the large-scale commercial farming areas did not have social infrastructure on the grounds that they were privately owned. This affects the ability of A1 unit households to utilise the land they have received. It is important that these are re-planned along the lines of the old ‘accelerated’ resettlement programme of the 1980s. This would involve planning them as new settlement projects, with full costing for social and physical infrastructure. Doing so, however, will not be cheap. We know from the experiences of the 1980s that it can cost up to US$12,000 per farm to provide the basic physical and social infrastructure, training and initial input support needed for a typical agricultural settlement. To support the 141,000 A1 beneficiaries would require an investment close to US$1.69 billion. Re-planning the A1 areas as a series of individual projects would have the advantage of allowing donors to support this programme in ‘bite-sized’ pieces. Similarly, donors could choose which projects they wish to support. However, it will still be the responsibility of the state to provide the overall connecting infrastructure. This multi-speed approach has the downside that certain regions might be more popular than others, which could potentially create political problems.

As much as possible the re-planning needs to recognise the symbiotic relationship between these new units and the adjacent communal lands. It is therefore important that planning be integrated and coordinated with existing physical and social infrastructure in the communal lands. Given that A2 beneficiaries have more land and better terms and conditions of access, the state needs to explore private sector partnerships to provide commercial loans to this group, perhaps at subsidised rates. Like the former large-scale farmers it should be their responsibility to develop local physical infrastructure, although the state can help organise provisioning of social infrastructure.

Revitalising agricultural institutions

The crisis took a heavy toll on agricultural institutions. Most of the extension and research activity has all but collapsed. Consequently, there is a need for an institutional audit to reconsider the roles of existing institutions and suggest new institutional arrangements to support the new structure of agriculture in the country. This is particularly true if the newly settled A1 smallholders are to get the support they need. Since the country now has many more small, medium and large-scale commercial farmers than before, there is a need to identify the exact training and other support they require in order to establish how these can be provided.

A2 land audit

The international political agreement that formed the basis for the inclusive government foreclosed any discussions about reversing the land redistribution exercise. This means that the inclusive government can only refine and iron out emerging problems from the exercise. We know from the Utete and Buka Reports that there are still major issues related to farm ownership under A2 schemes. In addition, the actual uptake of A2 farms needs to be established. It is imperative that an independent audit of what is happening on these farms be undertaken with a view to reallocating underutilised land, perhaps to those with farming expertise who wish to return to farming and are looking for land under the new terms and conditions. This needs to be seen as a technical exercise and should be led by a credible state agency.

Land registry

The resettlement process created new farm units that need to be mapped and registered. The land information management system must be revamped so that it can cope with the increased land units that will need to be registered. Given the number of farm units that will need to be registered, it may be necessary to decentralise this function to districts. Since district land committees hold the most accurate information, a Land Information Management Unit could be set up to run from these institutions and possibly even at ward level. To improve the user interface, the registration process will need to be as accessible, cheap and simple as possible. This might mean creating and training a new cadre of paralegals operating at district or ward levels, as a full legal approach to this problem will be financially infeasible. If donor agencies are interested in
supporting the reform and strengthening of the land registry they should ensure that there is a lead donor. A series of different donor support packages could create problems.

Enhancing land use through taxation

One way of ensuring that beneficiaries use their newly acquired land is to ensure that after an initial grace period the owners have to pay land tax. While realising that this is a controversial proposal, we believe it should apply specifically to beneficiaries under the A2 scheme. Zimbabwe cannot afford to have good land set aside. As such, a key advantage of a tax is that it encourages beneficiaries to utilise land, especially if the taxes are based on expected output. However, any scheme would have to be designed so as not to cripple struggling nascent black commercial farmers.

Compensation fund for former land owners

Although the former white commercial farmers cannot be compensated for land under the terms of Constitutional Amendment 16 of 2000, it may be possible for the inclusive government or its successor to consider a pool of funds, probably provided by or matched by donors, to compensate the farmers. Available data suggests that less than five per cent of the nearly 5,600 former commercial farm owners have received compensation. Sooner rather than later this will need to be resolved. This is a controversial idea and donors might be unwilling to pay compensation rather than support poor smallholder farmers. However, we know from the cases of Japan, Taiwan and South Korea that it was the investment in other areas of the economy of compensation payments to dispossessed landowners that helped these economies to grow after the Second World War. Clearly things are different in Zimbabwe, but under certain conditions linked to the prevention of capital flight (for example payments through tax relief or bonds), such compensation could kick-start investment in selected areas of the economy and perhaps help with economic recovery. There is no denying that the former commercial farmers still remain a highly skilled group with extensive experience and knowledge of agriculture. Without land, if given resources some may wish to venture into agribusiness – agricultural processing, market intermediation, supply of inputs and services etc – that may boost agricultural exports and create much needed off-farm but agriculture-related jobs. The inclusive government may wish to explore this avenue as a way of bringing closure to an issue that will otherwise rumble on in the courts of law for many years to come.

Enhancing agricultural incomes through high value crops and links to markets

After the initial gains from a basic agricultural package have been achieved, smallholders need to improve their earnings through innovation. This can be done not only through productivity growth but also by ensuring that some of the lucrative markets that have only been accessible to large-scale farmers in the past are made available to smallholder farmers. We are thinking here about links to some of the major agricultural lending institutions so that they can enhance agricultural productivity growth. A key constraint is that reviving large-scale commercial agriculture will need the private financial markets to begin lending again. For this to happen, the uncertainties surrounding ownership and tenure will need to be resolved. As long as these issues remain unresolved, agricultural financing will continue to be difficult and the farmers will have to rely on the cash-constrained state for support. The commercial farm sector only indirectly impacts on poverty, via employment and other upstream and downstream effects. The implication, therefore, is that this sector should rely as much as possible on state-assisted financial markets to enhance their productivity. The inclusive government therefore needs to find ways of recapitalising the major agricultural lending institutions so that they can begin to support the commercial farmers.

11.3 Water reforms and agriculture

Water is one of the major limiting factors (and often the major factor) for productivity in agriculture in Zimbabwe. Reforms undertaken in the late 1990s substantially altered the terms and conditions under which water for agriculture is accessed. While commercial farmers still get the bulk of the water, there is a need to ensure equity in provisioning of water to the smallholder farming sector, especially if they are expected to play a more significant role in the revival of agriculture – as proposed in this report.

The next stage in the agrarian reforms should look at how agricultural water is distributed and the inequality of access among land users, particularly given that some of the A1 farms are located in prime agricultural areas and could benefit from improved access rights to water. It is only when combined with access to water that the productivity of land can be enhanced, increasing earnings, alleviating poverty and contributing to economic growth.

11.4 Moving forward on the environment: an environmental audit

The collapse of the economy drove most Zimbabweans to rely more on nature and natural goods than ever before – timber, firewood, bush meat, wild vegetables, traditional medicines etc. We know globally that poverty can drive people to ‘mine’ natural resources. The decline in the functioning of state institutions has permitted this, but even more it has allowed elites and other private interests to take advantage of lax enforcement and over-exploit natural products for individual gain.

Environmental management efforts have weakened in several ways. First, we know that staff attrition made environmental regulation ineffective due to a collapse in enforcement capacity (forest encroachment and gold panning are two clear examples). At present, central government policy on the environment has little
meaning and in some areas over-exploitation is rife – sometimes out of desperation and sometimes out of greed. In the post-crisis period there needs to be a focus on ensuring that state institutions are revitalised and begin to work again. Particular emphasis should be placed on strengthening the capacity of the Environmental Management Authority to function at sub-national level, as it is in these areas that most of the work needs to be done.

Second, the rural restructuring that occurred as a result of Fast Track Land Reform has changed the dynamics of environmental stewardship, and attitudes and patterns of resource use. This change has affected both wildlife and forestry products directly. Deforestation has risen significantly due to reduced protection and increased demand for fuel wood as paraffin and electricity became less available. While the exact rate of deforestation in Zimbabwe is unknown, estimates suggest ranges between 100,000 and 320,000 hectares per year. An audit of the state of the environment in Zimbabwe is now needed. This could be one of the first confidence-building measures the Ministry undertakes to re-assert its control over the environment agenda. The audit could form the basis for a new vision on the environment and provide entry points for other actors to promote sustainability.

Third, despite the nominal involvement of the government in global environmental debates, serious work on global environmental change in Zimbabwe – particularly how climate change will affect the country and adaptation strategies – is desperately needed. If rainfall patterns in Southern Africa are changing, research on issues such as drought resistant crop varieties and alternative land uses is urgently needed.

Around 170,000 children each year do not gain the nine years of education that is essential to fully participate in social, political and economic development (Photo © Tsvangirayi Mukwazhi).
Reducing poverty and promoting growth

11.5 Restoring Zimbabwe’s education sector

The crisis had a major negative impact on the education sector. By the time the inclusive government took over, about one quarter of primary school children (100,000 children out of about 400,000) were not completing Grade 7, and a further 70,000 did not enter secondary school. Therefore, around 170,000 children each year do not gain the nine years of education that is essential to fully participate in social, political and economic development. Most of these children not in education, employment or training will find it difficult to make a living and, even when conditions improve, they will have few opportunities to increase their productivity or obtain better jobs. Unless Zimbabwe returns to its original policy of free primary education, and extends it to cover two years of junior secondary education, a substantial percentage of its population will continue to have a sub-standard level of basic education and limited employment prospects.

Linking education and training more closely to economic development

Investment in education is one of the key ways of moving and staying out of poverty. Clearly there will be issues of affordability. Given a state that lacks resources and an education system that has not seen substantial investment in nearly a decade, a compromise will have to be struck between offering free universal education and recovering some costs. In addition to improving access to basic education, Zimbabwe must improve the quality of education. The need for economic development requires a serious adjustment of the education system at all levels, but particularly at secondary, technical/vocational and tertiary education. The post-independence focus on preparing people for the public sector needs to shift to technical/vocational and tertiary education. The post-independence system need to be provided for.

i. More science and technical/vocational content into primary education and ‘education for real life challenges’.
ii. Providing more technical and vocational training at secondary school level – the present output of 20,000 graduates each year is insufficient.
iii. The development of values, principles and moral education. Careful thought needs to be given to ways in which the formal education system might promote values and behaviour to reunite the country.
iv. Community involvement and decentralisation kept the education system running during the crisis and is essential for accountability and sustainability in the future.
v. Supporting young people not in education, employment or training. A large number of young people who lost out on education and are probably too old to be re-integrated into the formal education system will need to be provided for. Left unattended, evidence from elsewhere in Africa suggests that they can easily become a potent reserve for militarisation and agents of violence when political fault lines emerge.

11.6 The health sector and post-crisis stabilisation

The inclusive government needs to stabilise and restore the finances, staffing, systems and structure of the health service before any long-term programming can take place. A priority organisational challenge afflicting the health delivery system in Zimbabwe is the high level of staff attrition. This has dramatically affected the capacity of the Ministry to deliver health services. Health budgets need to be restored – the current budget of US$0.19 per capita per annum does not buy much care. Most post-conflict countries use a standard three-stage model for reconstructing health systems after conflict: first, prioritising basic emergency and curative services; second, restoring essential services; and third, rehabilitating health systems. Elements of this model, when suitably adapted, can guide post-crisis stabilisation in Zimbabwe.

Basic emergency and curative health services

The priorities are dealing with pressing health needs, (especially the basic emergency and curative services to save lives) and providing low-cost preventative services (particularly immunisation). For Zimbabwe this was set in motion through the cholera epidemic inherited from the crisis. Although this is now under control, a recurrence could occur if the inclusive government fails to restore basic water supply and sanitation services. Basic health services such as obstetrics, immunisations, and dealing with communicable and seasonal illnesses must be restarted.

The most vulnerable are the under fives, pregnant women and those with underlying health conditions. These must be prioritised. While specific needs must be clinically determined, we know that in post-crisis Mozambique and Sierra Leone the basic emergency service included immunisation for under-fives, tetanus jabs for expectant mothers, vitamin A for high-risk groups and a systematic de-worming of children. This phase is usually resource intensive, with the costs of similar programmes ranging from US$3.70 per capita in Mozambique to US$21 per capita in Sierra Leone. For Zimbabwe this clearly implies a substantial rise in health expenditure.

Other actions demand immediate attention:

i. Arresting the brain drain through introducing retention schemes. Remuneration packages based on regional rates will be needed to retain and attract back skilled health workers.
ii. Revitalisation of training facilities, especially the reopening and capitalisation of the College of Health Sciences. This is an absolute priority as this is the only way to fill the skills gap. Although mechanisms may be needed to utilise the diaspora to restore health services (through short-term voluntary work or consultancies for instance), there is no substitute for restarting training of health professionals.
iii. Focusing resources on child health, maternal health, nutrition and communicable diseases including HIV, malaria and tuberculosis.
iv. Rebuilding management capacity in strategic planning, expenditure management and budgeting.
v. Re-establishing the medical and surgical supplies chain.
vi. Measures to re-establish the health information system.

Moving forward in Zimbabwe
**Medium-term restoration of essential services**

Once immediate health risks have been addressed, systematic delivery of essential health services can be contemplated. While in Phase 1 (outlined above) there is significant involvement of outside agencies helping to deal with life-threatening situations, Phase 2 is about returning authority for public health to the state and making sure that there is an accountable set of institutions around the essential health service delivery system. For Zimbabwe this will mean restoration of health programming and a return to the strategies – primary and curative health care strategies, with a focus on quick win areas or quick impact programmes. Crucially, it is about mobilising the funding to deliver the service.

**Rehabilitation of the health system**

As Zimbabwe moves to the rehabilitation phase, long-term planning can begin, along with a detailed programme of infrastructural investment. During this phase, effective health information systems are essential. While it is easy to outline ideas on what needs to be done, the ability to pay for restoring the health system will prove the most difficult. On the one hand, the user-pays principle can generate resources, but makes health inaccessible to a majority of impoverished Zimbabweans. On the other, free universal health will not be possible for the cash-strapped inclusive government. Donors may help to support specific programmes, however, a political compromise that allows for some cost recovery is necessary, especially from salaried and higher income groups that can afford it. For the majority, while the economy recovers, it might mean reliance on a social protection system to provide for basic health services.

**Other health issues: the role of civil society**

In the last five years there has been a move by the international community to channel some of its resources through civil society. This is likely to continue in the long term, as it is part of the donor development agenda to empower civil society and include civil society actors in decision making on social issues such as health.

### 11.7 Social protection for the poor

Social protection is public action undertaken to address vulnerability, risk and deprivation within the population. After almost a decade of crisis, most governmental forms of social protection have all but ceased and non-state actors (communities, local and foreign NGOs) have been doing most of the work to protect the vulnerable and poor. With declining formal employment and hyperinflation, social insurance had all but become worthless, while there was little scope to enforce labour-market regulation. However, publicly funded social assistance still continued, though at a reduced rate and often under accusations of the politicisation of programmes. At the peak of the crisis, most food aid distribution was carried out by non-state actors, which targeted orphans and other vulnerable children and adults.

By the time the inclusive government took over, systematic social assistance programmes failed to offer social protection to those who needed it. The state-run programmes that remained (mainly food aid and agricultural input support) were seen as partisan, politicised and inadequate, and non-state actors played a prominent role in social protection for the poor. As such, rebuilding social assistance in post-crisis Zimbabwe is not merely predicated on resolving the political stalemate and normalising economic activity, but also on revisiting the role of the state and markets in social protection. It is clear from experiences in Latin America and other African countries that the state is increasingly expected to take a lead in developing comprehensive social protection schemes for its citizens in ways that advocates of small government may not like. Given the fact that the protracted crisis left most Zimbabweans poor, there is a strong case to be made for a comprehensive review of social protection provisioning.

**Rebuilding social protection systems**

In the short term, the inclusive government and its successor will need to establish a minimal livelihood floor, below which citizens will not fall. Non-state actors have become the face of social protection for the poor, perhaps even being seen as a surrogate state. While state capacity to manage large, complex programmes is being restored and confidence is built among citizens that state institutions will be non-partisan, non-state actors will necessarily continue to play a significant role, especially during the inclusive government’s two-year tenure. It is imperative that the state uses this time to carry out a comprehensive review of social protection for its citizens and formulate a more integrated and inclusive social protection system. Such a review would ensure that the state regains initiative and visibility over the period the inclusive government is in power. The suggestion here is not to dismantle the involvement of non-state actors in social protection. Rather, it is to restore central planning and systematic social protection by the state.

**Conditional cash grants for orphans, vulnerable children and the elderly**

The crisis hit orphans, the elderly and adults with chronic illnesses the hardest. Although the state and some non-state actors have provided for some of their needs (notably medicine and food) the inclusive government will need to find ways to extend coverage to these groups. As the supply situation improves, consideration should be given to shifting from food packages to cash transfers, perhaps predicated on some health and education conditionalities. Food packages worked very well in the shortage-prone hyperinflation environment prior to dollarisation. However, experience from Mozambique suggests that its continued use in situations where the supply situation has improved could undermine food markets and ultimately farm production itself. Cash grants can instil confidence and provide a level of independence that direct food aid may not achieve in some situations. Evidence from Malawi and Zambia suggest that cash programmes can be more effective than food packages. However, there needs to be a minimum level of organisation to get this to work, and in the case of Zimbabwe the system of rural banking that had developed has now largely disappeared. A cash grant scheme could provide the impetus to rejuvenate rural banking services. To prevent the obvious moral hazards, families should be enrolled for no more than five years and the government, rather than donors, take a lead in resourcing the programme in the long term. In the interim, donor support, both technical and financial, will be required. Questions of affordability will be raised given the state of the national economy. Our view here is that the inclusive government needs to begin to show commitment to its citizens and this is one of the ways to do this.
Reducing poverty and promoting growth

**Workfare relief**

A major priority for the inclusive government will be to ensure food security to both the urban and rural poor. Workfare relief might be a sustainable medium to long-term response to the severe food insecurity across the country. Labour-based relief for able-bodied adults, while keeping a streamlined food aid programme for primary school children and the elderly, would help stretch the government’s resources over the anticipated long relief period. With unemployment as high as 80 per cent and a situation in which a significant portion of the country’s physical infrastructure (sewage systems, water systems, roads, rural schools, clinics, etc) is in a state of disrepair, trading famine relief for labour and the (re)construction of physical infrastructure would be prudent. The success of labour-based relief in post-crisis Zimbabwe will be predicated on adequate technical monitoring and supervision of projects. One of the shortcomings of food-for-work programmes in the late 1980s and early 1990s was the poor design, monitoring and supervision of projects. To forestall these problems, technical support will be necessary at the level of local implementation of work projects and not just in their planning.

**The Basic Income Grant**

Finally, the severe poverty and high unemployment in a post-crisis Zimbabwe will require inventive ways to prevent social instability and provide for the welfare of the country. In the long-run, post-crisis Zimbabwe might consider the Basic Income Grant (BIG) as a way of promoting inclusive citizenship. The BIG is a grant paid to all citizens, without means testing and financed through taxation. The universality of the BIG might be appealing in a post-crisis Zimbabwe for two reasons. First, a BIG removes the huge administrative burden of targeting involved in means tested programmes. Second, the universalism of the BIG minimises the possibility that social assistance will be politicised, because local, provincial or national administration will no-longer have discretion on the eligibility of beneficiaries. A key constraint is the affordability of the programme for a cash-strapped state emerging out of a protracted recession. This means that in all likelihood the BIG will remain a long term vision for the country and is unlikely to be considered in the immediate future.

**11.8 Rebuilding the public service**

Zimbabwe’s public service, one of the best in sub-Saharan Africa in the early 1990s, has been severely weakened by the crisis. Alongside staff attrition and declining budgets to implement programmes, politicisation has compromised service delivery to all citizens. Public management is one of the key areas that will need attention. In addition to rebuilding the bureaucracy through concrete tasks such as filling vacant posts, re-installing systems and re-establishing training institutions, there will be a need to work on ‘softer’ aspects such as organisational culture. Improving the capacity of the bureaucracy to deliver services effectively, especially to poorer people, and develop a client orientation are priorities. Specific steps include:

i. Ensuring that civil servants are fairly rewarded and are motivated to work.

ii. Strengthening the capacity of Permanent Secretaries to take a leading role in the reforms, through targeted staff development programmes, especially in corporate planning, strategic management and the promotion of a culture of excellence.

iii. Introducing regular and simple customer surveys in order to enhance accountability and assess the conduct of public officials in service delivery, and to ensure that services offered are accessible and meet client needs.

iv. Improving gender mainstreaming mechanisms in order to make this re-vitalisation of the public service an opportunity to challenge existing gender stereotypes and reach the target of having 30 per cent of decision-making positions filled by women by 2015.

v. Strengthening mechanisms for detecting and dealing with corruption. The establishment of the Anti-Corruption Commission is of paramount importance.

vi. Re-creating the capacity of government agencies, and especially the Central Statistical Office, to produce accurate statistics for planning.

**11.9 Reconnecting Zimbabwe through information and communication technologies**

During the period of crisis, the Information and Communication Technology (ICT) sector suffered like all the other sectors and has been caught in a time warp. Zimbabwe is ranked among the lowest countries in the world for information technology, placed 132nd out of 134 countries in 2009. Compared to other countries in the region, Zimbabwe has been slow to embrace the commercial and governance potential offered by the new ICTs. This can be attributed to a combination of fear of losing control by the state and the poor investment climate that characterised the decade-long economic decline. Growth of the mobile sector in Zimbabwe was disappointing, although the number of internet users grew at a faster rate and was estimated at 1,351,000 by 2009. Although partly attributable to the investment climate, the disappointing uptake of ICT was more to do with a reluctance to embrace ICTs for political reasons. Similarly, with respect to mobile telephony, which has greater relevance for Zimbabwe, there was little progress as the transformational benefits through new and innovative offerings like mobile banking (m-banking) have not taken root at scale like South Africa’s (WIZZIT) and Kenya’s (M-Pesa). The potential for this industry to generate jobs is already evident and the inclusive government will have to embrace this technology rather than fear it. Four key priorities for reconnecting Zimbabwe will revolve around:

i. Putting in place a sound ICT policy that recognises the central role of ICTs in national development. Policy needs to be based on a robust, coherent and internally consistent framework that is alive to the cross sectoral nature of ICTs. This is one way to avoid contradictions and suboptimal resource utilisation. The establishment of a Ministry for ICT has created an institutional base from which to direct sound policy environment for the ICT sector.

ii. Promoting competition and private partnerships. A recent ICT survey in Zimbabwe identified as priorities infrastructure development; finance mobilisation; and human resource development and capacity building. On the first two key issues above, namely infrastructure and
We see three main possibilities

First, they could be a main source of investment capital if mechanisms are put in place to facilitate their participation. Available evidence suggests that most investments by migrants to date have largely played a reproductive role, i.e. sustaining relations rather than productivity enhancement, and where significant investment has occurred these have been in pursuit of conspicuous consumption. Elsewhere in Asia and South America, evidence suggests that migrants have made a difference when organised into hometown associations that have the support of the state. Clearly the state will need to move in this direction if it wants to effectively tap into the savings of the migrants. We caution, however, that the nature of savings behaviour among migrants is largely unknown, although some available evidence suggests that the ability to save among migrants from countries in crisis is very limited and there may well be little available for investment in reconstruction. The state could, however, work on schemes to encourage savings, perhaps through creating tax incentives for non-resident Zimbabweans, as India has done for its diaspora.

Secondly, some migrants working as professionals have gained valuable experience where they are. The inclusive government will need to think of ways to lure some of them back (even for short periods at a time) to share their skills and knowledge. It is probably through these non-pecuniary remittances that Zimbabwe could gain the most. Evidence elsewhere suggests that through these short visits some may be enticed to return more permanently, once they are convinced that they can cope with life in what is now a very different country from the one they left. This is one area where the inclusive government, working with donors, can harness the human capital that probably benefitted the most from post-independence investment in education. Targeting sectors like health and education seems most feasible as these are the areas hardest hit by the brain drain.

Thirdly, migrants need to feel that the inclusive government values them as citizens and does not view them as individuals with divided loyalties. Confidence boosting measures would include allowing dual nationality; restoring voting rights of migrants who hold Zimbabwean citizenship and creating mechanisms and platforms for them to be heard. In exchange, migrants should be prepared to pay an annual tax for retaining the Zimbabwean nationality. Clearly the idea of taxing migrants will be controversial but could be one of the ways in which the migrants can also contribute directly to the fiscus.

11.11 What roles for development partners?

Development partners from traditional donor countries and new players (China, India etc) are unsure about how to respond to the opportunity created by the formation of the inclusive government. They want to help poor Zimbabweans but they have become deeply suspicious of the country's politicians, civil servants and business leaders over the crisis years. That said, most donors have a fairly good idea about what to do and what not to do: do not proliferate programmes; coordinate activities; identify lead agencies on issues so that transitional authorities do not get drawn into too many meetings; pool resources; and build on local capacities. If donors look at the Paris Declaration, most of the things that would make their funding more effective in Zimbabwe are listed. They just need to follow their own agreement!
11.12 Other issues

A Truth and Reconciliation Commission

There are bitter differences amongst Zimbabweans that will not disappear even if things go well from now on. The possibility of creating a Truth and Reconciliation Commission should be explored. The global leaders on this issue – South Africa – could provide guidance.

Universities and tertiary education

As researchers, we have seen the difficulties our colleagues in Zimbabwe have faced and the weakening of the country’s highly reputed institutions. As with other sectors, it will be Zimbabweans who will lead on this issue. Distant friends can re-activate academic partnerships, win resources to undertake collaborative research and seek opportunities to reconnect Zimbabwean academics and researchers with the world of ideas. Restructuring the country’s tertiary education sector is not simply about ‘education’: it is a key entry point for reactivating civil society and informed public debate about national futures. A first step would be for researchers to undertake rapid surveys so that they basic data needed for public planning – population, gender, employment, wellbeing – starts to improve.

11.13 Conclusion

None of the policies and actions recommended in this report will be easy to implement, but the opportunity to improve wellbeing, restart growth and become a proud people and a unified nation once again has opened up. As Zimbabwe moves out of the crisis, and the divisions of recent years begin to heal, the possibility of economic, political and social reform emerges. Openly deliberating about how to seize this opportunity is the first step in moving forward. This report seeks to contribute to that process, and to focus attention on how Zimbabwe’s poor can be put at the forefront of the recovery through an agriculture-led strategy. Ultimately it is those in poverty who have suffered the greatest hardship over the crisis period, and it is through the effects on the poor that we should judge the recovery.
Moving forward in Zimbabwe
Reducing poverty and promoting growth
Appendix 1: Prioritisation of recommendations for the education sector

Priorities are divided into three parts: those requiring little or no additional funding and are therefore immediately implementable are identified as A; those requiring moderate funding and that can be implemented quite quickly are identified as B; and finally those which require medium and long term planning and funding are identified as C. Strategies and actions identified under A are mainly those which require better coordination amongst the various stakeholders, so that existing resources are utilised more effectively. Those identified under B require some capacity building and modest additional funding, whilst those under C are more innovative and developmental, and would require substantive capacity building and institutional strengthening, and in some cases would require substantial additional funding. Policies and strategies under C would need to be phased in gradually over a long period. A reasonable time-scale for A would be implementation within one year; for B implementation would be within three years; whilst for C implementation would be within a perspective of fifteen years.

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<th>Priority areas and related actions</th>
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<td>at school level to provide short</td>
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<td>term and temporary salary</td>
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<td>supplements for teachers to</td>
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<td>enable them to come to school and</td>
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<td>to function.2</td>
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<td>1.3 Ensure all children aged 6 –</td>
<td>A</td>
<td>MOE, parents,</td>
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<td>12 are able to access tuition-free</td>
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<td>primary education up to Grade 7</td>
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<td>immediately. This is the minimum</td>
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<td>requirement and should be</td>
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<td>implemented immediately.</td>
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<td>1.4 Ensure that every teacher has</td>
<td>A</td>
<td>MOE, donors</td>
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<td>a set of textbooks, chalk, and</td>
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<td>other teaching materials to</td>
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<td>enable them to perform their work</td>
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<td>effectively.</td>
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<td>1.5 Ensure that Ministry of</td>
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<td>Education officers are able to</td>
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<td>function effectively, by providing</td>
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<td>them with the minimum requirements</td>
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<td>for efficient work. Salary</td>
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<td>supplements may be required as</td>
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<td>a stop-gap solution as the</td>
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<td>existing salaries are insufficient</td>
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<td>for food and transport for</td>
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<td>example. This is an area where</td>
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<td>donor assistance may be critical</td>
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<td>in the short term, targeting in</td>
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<td>particular district education</td>
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<td>offices which are closer to the</td>
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<td>schools.</td>
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<td>1.6 Ensure as soon as possible</td>
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<td>that teachers’ pay is sufficient</td>
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<td>for survival as a minimum</td>
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<td>requirement. Given the collapse</td>
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<td>of the Zimbabwe dollar in the past</td>
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<td>few months, it may be necessary</td>
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<td>to provide some of the pay in</td>
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<td>actual food stuff in rural areas</td>
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<td>or in foreign exchange which is</td>
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<td>now common currency in cities.</td>
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### 1.7 Approach donors for assistance in providing textbooks through local publishers at reasonable prices to all schools. This will entail negotiations with publishers and donors, so that private publishers can receive some support to produce low-cost books. Primary school textbooks should be priced at between US$1-2 (instead of the present US$7 per book). The unaffordable price of textbooks is due to a number of factors, such as taxation on imported inputs; demand for full colour by the Ministry of Education; lack of paper, etc. It is essential to strengthen state partnership with the private sector educational materials production companies such as publishers and printers, and provide them with support such as removal of customs duties on materials used for producing textbooks; access to donor assistance for paper and other critical inputs; negotiation of prices in view of the support given, in a ‘win win’ mode. Private sector industries which served the education sector such as publishing, printing, technical and science equipment companies, and construction companies, need to be strengthened and supported so that they can once again provide services to education.

### 1.8 Increase and improve teacher education in Zimbabwe so that Zimbabwe can firstly replace teachers who have left the country, and secondly train teachers to staff schools in the Region, in particular in South Africa, which has a severe shortage of teachers. Deployment in South Africa should be negotiated by the two countries, rather than ad hoc as at present.

### 1.9 Provide nine years of high quality of tuition-free basic education to all children aged 6-14. This can be implemented progressively by enabling some ‘primary’ schools to become ‘basic’ schools that provide Grades 8 and 9 education where secondary schools are too far away or are already congested. Where existing secondary schools already provide Grades 8 and 9 education, these can be retained, but become tuition free for Grades 8 and 9 (Forms 1 and 2).

### 1.10 Provide basic education opportunities, up to 9th Grade, for over-age children who have missed out on basic schooling. As a result of the decade-long problem of some 170,000 children dropping out of school without completing Grade 7 or who did not progress to Form 1 or Grade 8, there is likely to be a substantial number of over-age children in this category. Opportunities must be created to enable them to follow accelerated courses either in the formal or the non-formal modes.

### 1.11 Provide School Development Committees with a small annual grant for repairs and maintenance, so that they can become responsible for the upkeep of their own schools. This applies to Government, District Council and other schools. Presently Government schools depend on the Ministry of Construction for repairs and maintenance, and this Ministry is unable to cope with the volume. Other schools have never received maintenance grants which are common in other countries.

### 2. Linking education and training more closely to economic development

#### 2.1 Strengthen secondary education to include a more diversified curriculum after the 9th Grade, with initially one out of ten schools offering some level of technical/ vocational training (about 160 schools country wide), and progressively moving to one out of five school being able to offer such courses (about 320 schools country wide). Such courses can include ‘one skill’ courses (e.g. being able to sew a pair of trousers; to change car engine oil; or to grow maize well, etc.) as well as more in-depth courses. The present secondary school system in Zimbabwe is based on the archaic British system of “O” levels which are patently suitable only for the top 20 per cent of the children. This approach is a long-term one and is likely to be costly, as more equipment and more specialised teachers are needed, so will need to be done in phases. Every child should have the right to a post-9th year of schooling or training, in particular to enable them to earn a living. Post 9th Grade education will entail payment of affordable school fees.
2.2 Zimbabwe’s private sector has been seriously devastated over the past decade and a half. Presently it has lost its competitiveness as compared to neighbouring countries. In agriculture, Malawi and Zambia have produced large food surpluses through their support for small scale peasant farming, at a time when Zimbabwe suffered serious food deficits. In industrialisation, both Zambia and South Africa have proven to be more cost effective, and in many cases they also produce higher quality goods than local industries. If Zimbabwe is to compete with these neighbours it will need to improve productivity to provide sufficient raw materials for its industries. It will also have to improve its technology and its management systems. All these areas require better education and training, which must be provided by Zimbabwe’s education and training institutions. It is therefore critically important for the private sector to raise its capacities in close collaboration with state education and training institutions. Detailed sector by sector planning will be necessary. By establishing new state-private sector partnerships and incentives, it will be possible to expand access dramatically as well as cost effectively. It will also enable the state sector to work more closely with the private sector in the area of training for industrialisation and training for employment creation.

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|---|---|---|---|
| B C | MOE, private sector, Min of Agriculture, Agricultural colleges, Farmers associations |

2.3 The state presently collects one per cent of the private sector wage bill for training through the ZIMDEV Fund. However these funds have not necessarily been spent on training, as evidenced by the scandal over the abuse of cars purchased for the central administration. The rules and regulations as well as the decision-making processes for this Fund need to be urgently reviewed so that the funds are utilised for expanding and improving technical/vocational education. The private sector must be well represented in the ZIMDEV decision-making system.

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|---|---|---|---|
| A B | MOE, private sector |

2.4 Link the curriculum to the economic development plan and to employment creation, in particular to agriculture. The land resettlement programme offers many opportunities, and these should be grasped enthusiastically. By providing suitable agricultural training at secondary and tertiary levels, Zimbabwe can produce a large number of people who can utilise the land properly. In particular there is a need to expand and strengthen agricultural education at teacher education and secondary school levels to enable secondary school graduates to be able to manage Communal and small scale (A1) farms efficiently. Training at existing agricultural colleges also needs to be expanded and strengthened. This will entail additional costs, and needs to be phased in gradually.

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| B C | MOE, Min. Of Agriculture, donors |

2.5 Engineering and infrastructure building are important areas for concentration. Zimbabwe inherited institutions which were operational at different levels, such as the District Development Fund, which trained people who had rudimentary levels of education. A small number of secondary schools originally set up to educate and train war veterans and former refugees under the Zimbabwe Foundation for Education with Production (ZIMFEP) have offered technical/vocational courses of various types in combination with general education, and these highly successful programmes need to be replicated in more schools and colleges. Colleges and polytechnics trained middle level personnel; and universities trained at a higher level. All these levels should be made operational, and should be closely linked to investment by the state and by the private sector in infrastructure and construction industries.

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|---|---|---|---|
| B C | MOE, DDF, ZIMFEP, private sector, polytechnics and vocational colleges, universities |

2.6 Universities need to expand and improve their engineering programmes in line with the developmental ambitions of the country. Presently most universities are strong on humanities and commerce, but weak on industrial skills, leading to the situation that their graduates may not be ready to lead in the essential industrialisation of the economy.

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|---|---|---|---|
| B C | MOE, universities |

2.7 Private enterprises, including new ones being set up in the country in all sectors, including farming, mining, industry and commerce, should be required to provide education for their workers’ children; and in-service training, up-grading and up-dating for their staff.

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|---|---|---|---|
| B C | MOE, industry commerce, employers, trade unions |
### 3. Education and training for the region

**3.1** Expand, improve and reinforce teacher education to make teachers’ colleges regional institutions serving the SADC Region, in particular South Africa, as well as the Africa Region as a whole. Already some SADC countries are making use of secondary teacher training courses in Zimbabwe. Zimbabwe has some outstanding primary teacher education courses, including the ZINTEC course which combines distance education with face-to-face teaching. These primary education programmes should be made available to neighbouring countries.

**3.2** There are a number of university courses which can be made available to neighbouring countries, particularly through a combination of distance education and face-to-face teaching.

### 4. Linking education to real life challenges

**4.1** Real life challenges should be integrated into the curriculum at all levels of education.

**4.2** Teacher education programmes, including in-service training, should be adjusted to include real life challenges.

### 5. The Development of Values, Principles and Moral Education

**5.1** The creation of a national consensus on values and principles is an immediate and permanent challenge and requires a concerted national effort, using the mass media, meetings, debates, etc.

**5.2** The curriculum at all levels must be adjusted to incorporate such values and principles.

**5.3** Teacher education and higher education institutions need to incorporate values and principles into their programmes.

### 6. Improvement of the quality of education. The quality of education can include the curriculum and textbooks; the quality of teaching; the administrative processes; the measurable achievements in terms of examinations; and the relevance to life in terms of employment prospects, quality of life, etc.

**6.1** Primary education is the foundation of all education. It is also a basic human right. Initially it is essential that the existing primary education system be implemented as effectively as possible. However, in the medium term there is a need to adjust the curriculum to include the new knowledge, skills and challenges which have emerged over the last two and a half decades, into the curriculum, so some curricular reform is needed.

**6.2** The expansion of education for all, to include nine years of education as under the agreed SADC Protocol, will require an adjustment of the system, including the curriculum.

**6.3** Presently pre-school education is not well funded, although it nevertheless has wide coverage due to parental and community involvement. An important input would be the improvement of the curriculum and teacher training.

**6.4** The secondary school curriculum requires major adjustments, as the present system ensures that 80 per cent of the students fail, a serious indictment of the system. The archaic British “O” levels which have now been drastically changed in Britain itself, are patently suitable only for the top 20 per cent of the children. An important change will be the provision of a more differentiated curriculum and schooling after Grade 9, especially suitable technical/vocational education. This is a long-term approach and is likely to be costly, as more equipment and more specialised teachers are needed, so will need to be implemented in phases. Every child should have the right to a post-9th year of schooling or training, in particular to enable them to earn a living.

**6.5** Technical and vocational education need to be both expanded and adjusted to include both lower and higher levels of knowledge and skills. Short ‘one skill’ training is essential to enable school leavers to find jobs or to create employment for themselves. At the same time more in-depth high technology courses are also required to enable Zimbabwean industries to be competitive.
### Moving forward in Zimbabwe

**Reduction of poverty and promoting growth**

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<th>Section</th>
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<th>Responsible Parties</th>
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<tr>
<td>6.6</td>
<td>The present imbalance in university courses, favouring humanities and commerce, rather than science, technology, agriculture, medicine, engineering and industrial skills needs to be reviewed, with a serious attempt to revamp the universities so that they can provide the essential skills to profoundly transform Zimbabwe's economy.</td>
<td>B C MOE, universities private sector donors</td>
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<tr>
<td>6.7</td>
<td>Tertiary education institutions will benefit from staff exchanges with sister institutions in neighbouring countries and overseas in order to provide staff with opportunities to renew their academic and professional capabilities.</td>
<td>B C MOE, tertiary institutions</td>
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<td>6.8</td>
<td>Many of the buildings constructed in the 1980s require maintenance. There is also a shortage of equipment and school materials. It is suggested that the School Development Committees be provided with a small grant each year for these purposes, with the MOE providing technical support and supervision.</td>
<td>A B C MOE, SDCs</td>
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### 7. Involvement of the community and decentralisation

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<td>7.1</td>
<td>Parents and dedicated teachers have played a critical role over the last decade in ensuring that primary and secondary schools continue to provide their services under very trying circumstances. No doubt they will continue to play this role, as they have a vested interest in ensuring continuity and quality of education for their children. The state and donors can play a catalytic role in enabling such contributions to be augmented and directed towards greater quality and equity. For example scholarship programmes can be provided both at elite and other schools to cater for those parents struggling to pay school and examination fees. A system by which about 20 per cent of places in every school are scholarship places provided for by a combination of state, donor and community funding can assist in bringing education to the poorest sections of the community who have now been excluded.</td>
<td>A MOE, SDCs, teachers associations</td>
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<tr>
<td>7.2</td>
<td>Parents and communities are a rich resource of human capacities which can be tapped to enrich and improve the education of their children. Already the School Development Committees (SDCs) have demonstrated their ability to keep schools operating. These capacities can be further tapped to enable SDCs to repair and maintain existing facilities, and to establish new facilities, provided that the state not only allows this, but also provides grants and supervision. Systems were set up after Independence to enable parents and communities to contribute to the education of their children. These systems have proven to be sufficiently robust to enable most schools to survive a decade of deprivation. However it is evident that the system requires renewal, as some problems have become more conspicuous. All of these problems can and should be solved by collaboration between the state, parents and communities. This lack of coordination is problematic.</td>
<td>A B C MOE, SDCs, teachers associations</td>
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<td>7.3</td>
<td>Parents in agricultural communities have been providing basic foods to teachers, and such contributions should continue.</td>
<td>A B C MOE, SDCs, teachers associations</td>
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<td>7.4</td>
<td>A very substantial number of school children are suffering from stunting and malnutrition. Schools, together with parents, private sector and donors, can assist in establishing supplementary feeding programmes.</td>
<td>A B C MOE, SDCs, teachers associations</td>
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### 8. Non formal education

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<td>8.1</td>
<td>Non formal education has an important role to play in establishing shared values and principles, enabling those who missed out on education to have a second chance, and providing new and additional knowledge and skills to those who are unemployed. There is need to expand this sector to serve these different goals.</td>
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### 9. Strengthening policy and strategy development

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<td>9.1</td>
<td>Strengthen the Ministry of Education Departments at national, regional and district levels to enable them to perform their duties effectively. This will entail renewing and repairing equipment, provision of levels of operational funding that will allow at least a minimum level of support and supervision to schools.</td>
<td>B C MOE, private sector, donors</td>
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<td>9.2</td>
<td>There is need for an ambitious renewal of in-service training for MOE staff because of the high turnover during the last decade due to serious loss of staff to the private sector, the NGO sector and the diaspora.</td>
<td>B C MOE, training institutions, donors</td>
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### Moving forward in Zimbabwe

Reducing poverty and promoting growth

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<td><strong>9.3</strong></td>
<td>Zimbabwe has been cut off from developments in modern systems of education within an industrialised context. It is therefore important to allow key decision-makers in the MOE and other institutions to have short-term secondments to MOEs in other countries.</td>
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<td><strong>10.</strong></td>
<td>Financing of education</td>
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<td>10.1</td>
<td>Ensure that 20 – 22 per cent of the state budget is devoted to education in the next and subsequent annual budgets. This needs to be looked at within the context of the GDP and foreign exchange earnings.</td>
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<td>10.2</td>
<td>Allocate sufficient per capita grants to enable the school to purchase at least one textbook per student per year.</td>
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<td>10.3</td>
<td>Develop pro-poor financing models that will ensure quality and equity for schools catering for poor children, and for lower income children within all schools.</td>
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<td>10.4</td>
<td>Develop a financial framework for the education budget to replace the present ad hoc system, e.g. 50 per cent for primary education; 20 per cent for secondary education; 2 per cent for teacher education; 9 per cent for technical/vocational education; 9 per cent for university education; 0.5 per cent for pre-school education; 0.5 per cent for adult and non-formal education; 9 per cent for administration, etc. Presently primary education, which provides the foundation for all learning, is seriously underfunded. Secondary and technical/vocational education also need more support.</td>
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<td>10.5</td>
<td>Provide nine years of tuition-free quality basic education for all, whilst allowing parents and communities to augment state provision. However, no child should be prevented by other parents from attending the school nearest his or her home because of a shortage of fees. Parents who cannot pay should be allowed to provide in-kind or by providing some services or some work for the school.</td>
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<td><strong>11.</strong></td>
<td>The challenge of donor aid</td>
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<td>11.1</td>
<td>Donors need to move quickly from the ‘emergency’ and ‘charity’ modes which are ultimately debilitating to local capacities, to a more developmental approach. They will need to assist in strengthening state education structures, particularly at provincial, district and school levels in order to ensure that the system functions sustainably and efficiently.</td>
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<td>11.2</td>
<td>The recently established system of direct contribution to the schools is a good one, and should be retained, provided there is more policy and strategy coordination.</td>
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<td>11.3</td>
<td>Moderate funding could lead to a resuscitation of the publishing industry, for example through the donation of much needed paper for the printing of textbooks. Through close collaboration between the state, donors and the private sector, sufficient textbooks could be printed locally, and sold at affordable prices.</td>
<td>A B C</td>
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<td>11.4</td>
<td>The Zimbabwean education system has become cut off from more modern education systems in industrialised countries. As a result there is a tendency to cling to the archaic colonial system of education. It would be useful for donors to provide teacher educators and technical/vocational education trainers to assist in the modernisation of the education system. At the same time it would be helpful if key personnel such as education officers and directors are able to spend a few weeks in different education systems. Whilst it would be too expensive and also counter-productive to send Zimbabwean students overseas, as most of them are unlikely to return, it would be important to link educational institutions in Zimbabwe with partners overseas, and allow lecturers to be exchanged.</td>
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12. Research and development

12.1 Research and development linked to development needs. All too often decision-makers do not have access to up-to-date research and development work. Even where such work has been done, it may not be available in accessible non-academic forms which can be used by decision-makers who depend on electoral support.

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<td>Research institutions, private sector</td>
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12.2 There is a need for data which are routinely collected such as examination results to be utilised at local level for the improvement of the education system. Presently such data is not utilised.

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12.3 Studies such as the SACMEQ studies should be carried out for secondary and tertiary institutions to enable decision-makers to gauge the quality of education.

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12.4 Research and development needs to be carried out into how the curriculum can be more closely linked to developmental needs at all levels, including both social and economic needs.

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Notes

1. Since September 2008 more privileged communities have been charging US$10 per child per month for supplementary payment to teachers so that they can be paid a salary supplement in foreign currency, but this is beyond the means of poorer parents. This is because of the drastic devaluation of the Zimbabwe dollar, which is now about 100 per cent per day.

2. Already many communities are providing basic foodstuffs to teachers. The State has also provided plots of land under its small farmer schemes (the A1 scheme which provides about 5 hectares of land to the landless), and these plots have been instrumental in enabling rural teachers to feed themselves and to remain at their posts. Donors have already assisted in the payment of salary supplements in foreign exchange to medical staff at municipal level as well as to teachers in church schools. Such donor assistance could be beneficially extended to schools catering for low-income families, with the concurrence of the State.

3. Zambia has adopted such a strategy successfully.

4. Historically only about 20 per cent of candidates pass 5 “O” level subjects, a requirement for proceeding with education, with 40 per cent passing 1 – 3 subjects, and another 40 per cent failing all subjects. Such a high failure rate indicates a serious need to adjust the system.

5. When Structural Adjustment was adopted by the Zimbabwe Government in 1992, it was expected that the private sector would be strengthened, whilst State responsibilities would be lessened. In fact the outcome has been the weakening of both the private sector and of the State.

6. The North American Community College system can play an important role by providing job training for the unemployed in areas where employment is available.
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