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**Faculty of Social Sciences
Department of Politics and Public Management**

“The effectiveness of Social Dialogue in addressing the economic problems in Zimbabwe”

(January 2008-December 2014)

By

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**A dissertation submitted in partial fulfilment of the requirements for the Honours degree in Politics and Public
Management**

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APPROVAL FORM

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Declarations

I, Brave Bikoloni do hereby declare that this dissertation is the product of my own exploration and research, except to the extent indicated in the Acknowledgements, References and by comments incorporated in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

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Supervisor's Signature

Dedication

To my family and friends; May you grow in search of knowledge and wisdom so that you will one day make an indelible mark in society.

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Firstly, I am indeed truly grateful to our Almighty God for having given me the opportunity to make an academic mark in the area of social dialogue in Zimbabwe through the Department of Politics and Public Management. Certainly, the opportunity has been an eye opener to the fact that the quest for knowledge should always be pursued in order to continually improve our lives, those of our children, and for future generations to come.

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Abstract

The environment within which social dialogue operates is shaped by a number of factors, most of which are economic, social, political, environmental and legal. The economic, social and political developments in Zimbabwe from 2008, and 2014 posed various challenges to the economy of the country. In an attempt to find solutions to the challenges affecting the country, policy makers pursued various avenues, including social dialogue. Against this background, it was of interest to ascertain the effectiveness of social dialogue as a strategy in addressing the economic challenges in Zimbabwe from January 2008 to December 2014. The researcher was mostly interested in investigating how the social dialogue process was undertaken at the national level and the problems that were faced by the respective constituents. In undertaking the study, conducted were face to face interviews with respondents in order to gain more insight through probing. Arising out of the study, it emerged that social dialogue had indeed been used as a strategy to help in addressing the economic problems in the country, albeit without much success. The findings of the study points to the fact that; while social dialogue was pursued, it was not effective as envisaged owing to the voluntary nature and lack of a legislative framework to govern the process. Going forward, the study has brought to the fore, the importance of legislation on the state-run social dialogue process, as in form of strengthening the Tripartite Negotiating Forum (TNF) secretariat in order for it to be better capacitated to execute its mandate. In terms of the economy, the findings point to a great need to depoliticise public policies to better function.

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Acronyms

DWCPs	Decent Work Country Programme(s)
EMCOZ	Employers Confederation of Zimbabwe
ESAP	Economic Structural Adjustment Programme
GDP	Gross Domestic Product
GNU	Government of National Unity
GPA	Global Political Agreement
HDI	Human Development Index
HDR	Human Development Report
ILO	International Labour Organization
MERP	Millennium Economic Recovery Programme
MPSLSW	Ministry of Public Service Labour and Social Welfare
MTP	Medium Term Plan
NECs	National Employment Councils
NEDLAC	National Economic Development and Labour Council
NERP	National Economic Revival Programme
NSSA	National Social Security Authority
RBZ	Reserve Bank of Zimbabwe
ZiNEPF	Zimbabwe National Employment Policy Framework
GJP	Global Jobs Pact
TNF	Tripartite Negotiating Forum
UNDP	United Nations Development Programme
ZUNDAF Framework	Zimbabwe United Nations Development Assistance Framework
ZIM-ASERT	Zimbabwe Agenda for Sustainable

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Social dialogue is a process involving the engagement of government, employer and workers with a vision to formulating national and/or sectoral policies of common interest relating to socio-economic issues. This concept has been derived from the International Labour Organization (www.ilo.org) and is widely used in its member states. The present study investigates the effectiveness that this process has had in addressing economic problems in Zimbabwe for the period January 2008 to December 2014.

Social dialogue is a process that can be strategically used to pursue economic development in any given polity and this involves consensus building on issues of national outlook and importance. Traditionally, social dialogue is known to comprise all types of discussions or the trade of information among key stakeholders, which include government, organized labour, organized business, the academia, the media and in some cases civic society organizations. The aim of negotiations within the auspices of social dialogue is for the relevant stakeholders to pioneer creative solutions on socio-economic challenges (Ministry of Public Service Labour and Social Welfare, 2009). It is an mechanism for good governance in universal and any effort to make the economy perform better, be more competitive and usher a just and stable community (www.ilo.int, 2009).

It is against this background that when Zimbabwe was faced with a lot challenges on the economic landscape largely as a result of economic reforms in the 1990's that the government took a deliberate policy position of enhancing the involvement of key stakeholders in the discussions of socio-economic issues, (Ministry of Public Service Labour and Social Welfare, 2003).

Chapter one gives an introduction to the study through a brief background and presentation of the research problem. The research objectives, proposition and main reasons that necessitated the study are also accessible in this chapter. The chapter provides an outline of the dissertation structure and ends with a chapter conclusion.

1.1 Background to Social Dialogue in Zimbabwe

Zimbabwe, like many other developing countries, is faced with a number of social, economic and political challenges which have resulted in the slowing down of economic growth and in some cases the reversal of some of the gains made since independence. The country is faced with high rates of poverty due to rising unemployment, unsustainable budget deficits, deteriorating balance of payments, hyperinflation, low rates of investment and savings, shortage of foreign currency, emigration of skilled and professional labour and decline in agricultural output, (Kanyenze, 2011).

Since independence in 1980, efforts have been made to promote tripartite and bipartite consultations in the country. As a result, a number of consultative and advisory committees were set up to deal with specific employment issues such as minimum wage fixing, retrenchments and the conditions of employment at the sectoral level. In addition, joint and separate training of social partners on social dialogue and collective bargaining has taken place. However, the narrowness of the mandate of these committees restricted their ability to respond to the economic challenges facing the country. In an attempt to resolve this, the NECF in 1997 and the TNF 1998 were established with an expanded mandate and membership, (Ministry of Labour and Social Services, 2003).

The NECF was established with the original mandate of providing a forum for the discussion of economic revival policies beyond the Economic Structural Adjustment Programme in the 1990s. Its membership is drawn from government, business, labour the academia and non-governmental organizations, (National Economic Consultative Forum, 2013).

The TNF was established in 1998 and is currently a voluntary and unlegislated chamber in which socio-economic matters are discussed, explained or negotiated over by social partners and recommendations are made to Cabinet, (TNF, 1998). The TNF draws its membership from various Government ministries, labour and business, (TNF, 1998).

1.2 Macroeconomic Performance of Zimbabwe (1980-2014)

In view of the foregoing, it is essential to take a close look at the macroeconomic environment in which social dialogue has been taking place in Zimbabwe. According to Kanyenze et al (2011) economic performance and management in Zimbabwe since independence can be divided into four distinct phases, which include the first phase of independence from 1980-90, followed by the period of the Economic Structural Adjustment Programme (ESAP) from 1991-1996, which ushered the economic crises period of 1997-2008 and the period of transition since 2009 to 2014. It can be said that during the first decade of independence Government implemented the Growth with Equity policy from 1981, the Transitional National Development Plan (TNDP) (1982/83-84/85) and the First Five Year National Development Plan 1985-90 (www.rosalux.co.zw). These policies were aimed at correcting colonial imbalances and inequalities as well as uplifting the model of living of Zimbabweans as a whole. In implementing these policies, the main focus of Government was the social sector, especially health, education and the expansion of rural infrastructure.

However, Kanyenze et al. (2011) further argue that Government's social thrust could not be sustained as the budget deficit increased to over 10% of GDP during the late 1980s, while investment remained depressed. Moreover, GDP growth was erratic, concentrated in a few years (1980, 1981, 1985 and 1990) and foreign currency shortages persisted as export earnings remained subdued. Resultantly, it was observed that employment growth averaged 1.9% during the first decade of independence, 1980-90, below the work force growth of approximately 3% for every annum during the 1980s. Hence, as the labour force continued to grow faster than employment growth, Government intervened by adopting the market-driven ESAP in 1991 supported by International monetary institutions.

During the implementation of ESAP, economic performance deteriorated despite the mitigating efforts. With a decrease in GDP from an annual average of 4.6% during 1986-1990 to 2.8% during the reform period 1991-1996, which proved too little to create employment and reduce poverty. Employment growth declined from 2.5% per annum during the period 1986-90 to 1.2% during the ESAP period. While non-ESAP factors such as the severe drought of 1992 and failure to implement public sector and parastatal reforms contributed to the economic decline, other reform-related factors such as cuts in (social)

expenditures and the beginning of cost-recovery channel in education and health also contributed.

Following ESAP, Government came up with several home-grown economic programmes developed to suit the national context. The ZIMPREST was launched in February 1998 to cover the period 1996-2000. It was followed by programmes of even shorter duration: MERP of 2000; the NERP of 2003; the Macroeconomic Policy Framework (2005–2006): ‘Towards Sustained Economic Growth’ 2004 and the NEDPP of April 2006.

Since 1997, owing to political developments in the country, the economy took a downward trajectory which continued unabated resulting in the hyper-inflation with levels of at least 50 percent per month from August 2007 despite several economic blueprints. This decline resulted in Zimbabwe sliding from being the chief economy in SADC to eleventh by 2008 as according to the provisions of GDP,

Between 2007 and 2008, Zimbabwe’s economy suffered deteriorating global competitiveness which was attached with the country’s international affairs situation which limited foreign direct investment, worsened the balance of payments; shortage of skills arising from brain-drain and the HIV and AIDS pandemic. There was acute shortages of essential inputs such as fuel, raw materials and intermediate inputs resulting in all sectors operating far below expectations with high operating costs on account of infrastructural deficiencies inefficient and subsidy-dependent public enterprises.(www.ilo.org)

The political landscape of the country changed on 15 September 2008 with the signing of the Global Political Agreement which gave birth to power sharing GNU. Article III is of importance as it focussed on economic restoration, constancy and growth committing all parties to complete economic action to save the economy. In this regard, Government introduced the multicurrency command in January 2009 and adopted the Short-term Emergency Recovery Programme (STERP) in March 2009. These measures saw economic growth rebound to 5.7 in 2009, 8.1% in 2010 and an estimated 9.3% in 2011. (www.ilo.org)

In view of the foregoing analysis of the macroeconomic performance of Zimbabwe since independence, it is essential to outline the importance of social dialogue in addressing economic challenges and bring about development. Government and the social partners

adopted the Kadoma Declaration in 2009 and resolved to take urgent steps to address the country's risk factor. As defined in the Kadoma Declaration, country risk factor refers to the premium that is attached by nationals, residents, foreigners and international bodies on residing in, visiting and/or doing business with a particular country. (www.barutiwa.com). The Declaration also outlines the negative impact that the country risk factor has on the country's economy

1.3 Research Problem

The economic environment that prevailed in Zimbabwe between January 2008 and December 2014 posed viability and management problems and threatened the sustainability of economy. Against this background, social dialogue was pursued by management and the societal partners as a tactic for addressing economic problems. However the State is still faced with economic problems despite the adoption of the Social dialogue as a panacea to the economic problems. The economy continues to suffer with high levels of unemployment, as a result of retrenchment and company closure and high rates of inflation to an extent of adopting a multi-currency system. (www.wider.unu.edu). Zimbabwe is still lagging behind industrialization and brain drain remains the order of the day. Policies seem not to be carried out to their logical conclusions. The effectiveness of the social dialogue process in addressing economic problems hence warrants investigation.

1.4 Research Objectives

1.4.1 Overall Objective

The study's overall objective was to investigate the effectiveness of social dialogue in addressing economic problems in Zimbabwe during the period January 2008 to December 2014.

1.4.2 Specific Objectives

The study's specific objectives were to:-

1. To establish what Social dialogue is.
2. Assess the overall environment within which social dialogue in Zimbabwe between January 2008 and December 2014

3. Assess the capacity constraints of the parties to the social dialogue process;
4. Proffer recommendations to address the identified challenges that affected the Social dialogue in Zimbabwe during the period under review

1.5 Research Questions

The following questions the research questions that will guide the research:-

1. What is Social dialogue?
2. What characterized the environment within which Social dialogue was operating in Zimbabwe between January 2008 and December 2014?
3. What were the capacity constraints of the parties to social dialogue in Zimbabwe?
4. What recommendations can be made to solve the challenges that hindered Social dialogue in addressing economic problems in Zimbabwe during the period under review?

1.6 Proposition

The study's proposition was that the social dialogue process has been ineffective in addressing economic problems in Zimbabwe between January 2008 and December 2014.

1.7 Geographical Coverage and Context of Focus

The spirit of the study was on the effectiveness of the social dialogue procedure on Industrial relations in contributing towards addressing economic problems between January 2008 and December 2014. In conducting the study, the research was limited to the effectiveness of social dialogue on addressing economic problems in Zimbabwe for the period January 2008 to December 2014. For purposes of the study, the "economic challenges" was taken as defined by the International Labour Organization, wherein five distinct categories should be satisfied if an enabling economy is said to exist in a particular country. The ILO has identified the following as major factors for consideration of a viable economy and these were adopted to delineate the boundaries of the survey:-

- Economic (macro-economic, trade, fiscal policies)

- Political (overall political stability)
- Social (existence of social protection, education, training, social inclusion)
- Environmental (equitable consumption of resources)
- Legal or regulatory

The study focused on the economic perspective of social dialogue and targeted the policy-making level. While social dialogue has been actively pursued in Zimbabwe through bipartite means at company and sector level, the research concentrated on social dialogue at the countrywide level, with specific reference to the TNF. Respondents were therefore derived from the tripartite policy makers of the TNF, members of the TNF secretariat, the academia and ILO experts in Zimbabwe

1.8 Delimitations of the Study.

Ethical Considerations

The ethical issues that were considered in this study relate to the confidentiality of responses provided. This is because in some cases, respondents gave their personal views which were not necessarily linked to their organizations. In this respect, given that the study relied on respondent's institutional knowledge, it was imperative that all responses be treated with utmost confidentiality.

The limitations of the study relate to the methodology that was used. Having selected the qualitative methodology, the study sample was not statistically selected due to the need to gather views from all tripartite partners. This gave room for researcher bias in selecting participants for the survey. In addition, the views expressed by the respondents were mostly rich in content and were diverse, implying that their consolidation and analysis through quantitative means was almost impossible. However, some interview questions confined respondents to a scale of responses in order to allow data analysis and the display of results through tables and figures. In addition, a general line of thought was derived from the respondents which enabled the researcher to make conclusions on issues raised relating to national policy.

Another limitation to the study was the competition for respondents' time with other pressing national commitments. The researcher undertook the study within a context of competing activities in the calendar of the social partners in Zimbabwe. It was also a time when most companies were retrenching workers. Therefore all the stake-holders were much more concerned and involved. This rendered the participants extremely busy and in some cases unable to participate in the research. These developments militated against the researcher's ability to interview all the intended participants, thus affecting the response rate.

Accordingly, this negatively affected the response rate, with a total of fifteen Zimbabwean and five non Zimbabweans being able to take part in the survey. However, owing to the balanced reach of participants, the researcher is convinced that the validity of the study was not seriously compromised because various views were expressed from all tripartite constituents, hence an increase in participants would not necessarily change the findings. In any case, more respondents would, in the researcher's opinion, add and further solidify the views already expressed by those who participated in the survey.

1.9 Justification and Rationale of the Study

The research was necessitated by the realization that meaningful and sustainable economic development can be attained through social dialogue. This concept of has been successfully applied in a number of countries and Zimbabwe can also benefit, given the willingness of the social partners. (www2.ilo.org)

At a time when self-assurance in national programmes is at low ebb, coupled with diminishing international funding and donor support, enhanced dialogue is needed to overcome challenges that the nation is faced with. According to the Global Jobs Pact of the ILO of 2009, social dialogue can play a significant role in helping to find solutions, especially in times of heightened social tension. Furthermore, the research comes at an opportune time to inform policy decisions that can be implemented to positively influence the economic operating environment. At a time when the country has enjoyed steadiness in the socio-economic and political spheres arising out of the dialogue which culminated in the Global Political Agreement of 2008, it is noteworthy to mention that a culture of dialogue has been inculcated in the policymakers of Zimbabwe.

Of particular significance is the fact that Government and the social partners have over the years invested resources with the firm belief that the social dialogue process would yield the desired results. In this regard, it is argued that the research will be beneficial in as far as it will provide an academic and balanced analysis of the effectiveness of social dialogue as a strategy of the social partners to work together for mutual benefit.

A lot of work has been done from the various angles of Government and the social partners, without an independent analysis of how the partners have been effective. The research will also seek to bring to light pertinent considerations that should be made to improve the environment within which Social dialogue have to operate in Zimbabwe. In this regard, it is hoped that the study will provide Government with the much needed recommendations on how to address economic problems through the involvement of social partners and set a clear vision, which is shared by all stakeholders in the context of a well articulated national strategic plan.

The research will highlight the importance of bringing to light the associated cost of poor social dialogue. An immense amount of work has been done on the improvement of economic strategies and management techniques, without much emphasis being placed on the central role of workers in organizations. At the national level, workers participate fully in the social dialogue process, hence the need for the research to investigate how effectively this has been done. The research is therefore necessary to show the contribution that can be made by workers and employers alike in building capacities for less confrontational engagements which ultimately contribute to economic development.

Finally, the research will provide a different yet modern approach to how economic problems can be better resolved in a country. Through an analysis of the contribution that social dialogue can make to addressing of economic problems, it is hoped that the research will appeal to policymakers and readers from many walks of life. In essence, the research aims to provide a fresh look at how the tripartite partners can collectively work together to address economic problems where Government can execute its mandate in the ZIM-ASSET, and business being able to thrive in that environment while workers are better able to access decent and productive jobs. The tripartite nature of the dialogue process therefore provides a unique way of addressing socio-economic issues that affect the country. In addition, the

manner in which the dialogue process has been managed also needs reconsideration if the dialogue process is to benefit the tripartite partners.

It is also imperative to note that extensive study has been undertaken on the Politics of Social dialogue and to ascertain how economy can be better managed through implementation of various strategies, theories and processes. The present research offers an insight into the operating environment within which the economy is being managed. It is hoped that this approach will further add to the body of comprehension that Policy Makers can refer to in Zimbabwe.

Research Methodology

1.10 Research Philosophy

The two main research philosophies are the positivism and phenomenological philosophies. Sanders et al (2003) point out that positivism is objective and emphasizes on highly structured methodology which can be quantified through statistical analysis. Contrary to this philosophy is the phenomenological philosophy, which according to Groenewald (2004) mostly focuses on the experiences that people have gone through. In addition, Halloway (1997) notes that researchers who make use of the phenomenological approach rarely prescribe techniques. In respect of these arguments, the researcher used the phenomenological approach because of the need to understand complex issues of the area under study.

The researcher made use of the purposive sampling technique because of the realisation that participants were to be knowledgeable of the key concepts being investigated in the study. The rationale for narrowing down on these participants is strengthened in the argument that some participants are "richer" than others and that some give greater understanding than others, Jackson (1970). He contends that the passer-by may have an idea but the mechanic will be more productive.

1.10.1 Data Collection Methods

The researcher conducted face-to-face interviews with respondents and also gave questionnaires for some respondents to self-administer through electronic mail in cases where such respondents were not available for face-to-face interviews.

1.10.2 Research Method

The study used open-ended questionnaires as a way of collecting primary data to allow the researcher to interview respondents, probe for more information and clarify issues in the questionnaire for appropriate responses. In cases where respondents were not easily accessible, the researcher sent some questionnaires through electronic mail.

1.10.3 The Research Instrument

The researcher developed a research instrument that sought to investigate the general understanding of social dialogue held by participants together with the strengths, challenges and effectiveness of social dialogue. The research instrument also sought views on the operating business environment in terms of economic, political, social, environmental and legal framework. The instrument also probed on the various recommendations that could be implemented to deal with the identified challenges for both the social dialogue process and the business environment. The research instrument is attached as Appendix 1.

1.10.4 Types of Data used

Both primary and secondary data was used to address key issues. This included the data that was collected during the study and that which was derived from records on social dialogue and the economic statistics.

1.10.5 Justification for the Selected Approaches

The researcher adopted the above methodology given that the selected field of study required in-depth understanding of social dialogue, its concepts, applicability and usefulness. Given that elements in the population were defined according to the offices they hold and the

mandate given to them, it was ideal to use purposive sampling to ensure that respondents were knowledgeable and representative of their constituents. The entire population of the TNF is tripartite in nature hence the selection of respondents could not be left to probability in view of the need for balanced views from the tripartite members. Further, the use of face-to-face interviews in administering the questionnaire enabled the researcher to probe for more information, and to provide clarification where it was required. Primary and secondary sources of data allowed the researcher to gain insight on the first hand experience of respondents.

The study utilized a small sample because it is argued by Marshall (1996) that samples for qualitative research are usually smaller therefore even if a representative sample is sought, there is a greater chance of high sampling error and resultant biases. (www.statcan.ca). Further, Marshall (1996) is also of the view that when a representative sample is selected, certain characteristics of the population under study should be known and this is not usually the case with qualitative studies which are complex in nature. In essence, Pound (1995) supports this view by adding that quantitative researchers usually do not have an appreciation of the need to study small samples because of the belief that generalization is the essence of all excellent explore, and is the cause of why some qualitative work, though good, may contain inappropriate sampling techniques.

The participants of the study were selected using their known experience and competence in articulating matters around the subject matter. While the population of those knowledgeable about the business environment in Zimbabwe may have been big, the researcher was mostly concerned about participants' knowledge of both the tenets of social dialogue in the country as highlighted in the scope of the study in chapter one.

In terms of size, the study did not concentrate on getting a large sample because of the type of information it solicited. It will be noted that the questionnaire was structured in an open-ended way to solicit broader discussion and gain a better understanding of participants' views of the subject under investigation. In essence, the study was generally time consuming since the focus was on the quality of responses, rather than the quantity, the researcher was satisfied that the number of respondents used did actually suffice for the purposes of the study.

Marshall (1996) supports this line of thinking because of the argument that a qualitative study is one that adequately answers the research question through an appropriate sample size. The researcher was therefore satisfied with the broad range of responses that provided answers to the research questions. Given that all three parties to the social dialogue process were interviewed and gave diverse views, the researcher noted that this answered the research questions satisfactorily.

1.10.6 Data analysis techniques

Qualitative and quantitative analysis of the data gathered were both used by the researcher and the Statistical Package for Social Sciences was used for data analysis.

1.11 Dissertation Structure

This dissertation is prepared of four chapters which are prearranged below:-

Chapter One – Introduction

The introductory chapter provides the reader with background information necessitating the research into the effectiveness of social dialogue in addressing the economic problems in Zimbabwe from the period from January 2008 to December 2014. The chapter also gives justification on why the researcher undertook to study this area. This chapter also gives the full account of the research methodology used in carrying out the study, including the research philosophy that underpinned the study, approaches and the various strategies employed in the collection of data.

Chapter Two – Literature Review and Theoretical framework

This chapter gives a broad insight into the relevant literature and theoretical frameworks covering the subject area in detail. The area of social dialogue is discussed firstly in general and then in as far as it relates to addressing economic problems in Zimbabwe. This chapter also provides relevant country experiences of the successes of social dialogue in shaping national socio-economic contexts and the case of South Africa, Germany, Zambia and the Netherlands are covered.

Chapter Three – Presentation and analysis of data

This chapter gives the full account of the presentation and analysis of data. It goes to give the reader an insight into how data was analyzed and also it gives a discussion of the results obtained in the survey.

Chapter Four – Conclusions and Recommendations

The final chapter provides the conclusions of the study in relation to the objectives given in the first chapter. In essence, this chapter gives the specific conclusions that can be derived from the study, as well as the recommendations that should be considered if social dialogue is to play a meaningful role in contributing towards addressing economic problems. This chapter is important for the policy makers as it narrows down to the specific actions that should be implemented in order to address the problem given under research problem in chapter one.

1.12 Chapter Summary

This chapter has provided background to the study relating to the effectiveness of social dialogue in addressing economic problems in Zimbabwe between January 2008 and December 2014. The chapter has also given a detailed account of the research methodology used when gathering data.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 Introduction

This chapter begins by defining the concept of social dialogue and gives the various forms that it can take, its usefulness and the theoretical underpinnings of the concept of social dialogue. Developments at the international level in respect of social dialogue are discussed and the general conditions necessary for social dialogue to thrive are also highlighted. The chapter further provides various social dialogue experiences with particular focus on the South African experience where its structure, successes and lessons learnt are detailed. From a general perspective of social dialogue, the chapter narrows down to the Zimbabwean case where the policy environment is presented, in terms of economic, political, social, environmental and legal frameworks that affect Social dialogue in Zimbabwe. The chapter concludes by highlighting problems that have characterized the social dialogue process in Zimbabwe and the economy.

2.1 Definition of Social Dialogue

The definition has been derived from the International Labour Organization (ILO) which states that social dialogue encompasses all forms of negotiation, consultation or simply exchange of information between representatives of Government, employers and workers on issues of common interest relating to economic and social policy., (ILO, 1999). However, given this broad definition of social dialogue, the ILO recognizes that the definition can vary depending to country and time.

The ILO further illustrates the different notions of social dialogue which are the exchange of information, consultation and negotiation. The ILO points out that the basic process of social dialogue is the exchange of information. However, this is regarded as an essential starting point towards more substantive social dialogue. Further to sharing of information, the ILO states that consultations are the next stage where the social partners engage in more in-depth discussion about issues raised. It is noteworthy to indicate that consultations do not carry decision-making autonomy but is the part of the process.

Apart from the ILO definition of social dialogue, scholars have also given other definitions. Visser (2001: 184) suggests that social dialogue is the first platform for common understanding or framework of reference by separating the digestion of facts, problems and possible solutions which may lead to collective bargaining where social partners engage in negotiation over their positions.

Further to the ILO's working definition of social dialogue, Edigheji (2000) argues that social dialogue has been traditionally defined by the tripartite institutions between government, trade unions and business that regularly act on a consultative manner on labour, social or economic policy and primarily aimed at ensuring industrial peace. In this regard, social dialogue has been defined in terms of institutional structure rather than rules and processes. (www.ilo.org)

In addition, Hyman (2000) is of the view that social dialogue was adopted in terms of industrial relations, involving collective bargaining between employers and representatives of workers. This definition seems narrower in scope given that collective bargaining simply addresses the effects of decisions by management. Hyman (2000) goes further to give a second concept of social dialogue, i.e., the processing of exchanging information and viewpoints to facilitate negotiations. Hyman (2000) also defines social dialogue in terms of its normative nature to connote a move towards social partnership and avoidance of conflict. Hence, social dialogue according to Hyman (2000) is both a process of and an institutional framework for interaction between participating partners.

Another definition of social dialogue is given by Hethy (2000) who puts forward the idea that social dialogue is a system of institutions for the reconciliation of interests on labour and economic issues by representatives of government, business and labour. However, as opposed to the ILO viewpoint, Hethy observes that social dialogue can either be formal or informal.

In contrast, Choi (2000) argues that social dialogue refers to direct negotiations among the social partners. Here, it is argued that consultations that do not result in negotiation but are merely intended to share information do not constitute social dialogue. From this perspective, social dialogue has one end in view which is the agreement of the social partners, and where it is institutionalized, Choi (2000) argues that it becomes machinery for policy coordination between the partners involved in the process. In strengthening this definition, Gostner (2000) also adds that social dialogue is an engagement between social partners aimed at influencing

governance. Hence, by its very nature, social dialogue entrenches and strengthens cooperative and participatory democratic governance.

2.2 Forms of Social Dialogue

The ILO further notes the different forms that social dialogue can take. Social dialogue can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations only between labour and management (or trade unions and employers' organizations), with or without indirect government involvement. (www.sesrtcic.org). The manner in which consensus is sought between and among the partners can be informal or institutionalized, and often it is a combination of the two. It can take place at the local, national, regional or international level. It can also be inter-sectoral, sectoral or at enterprise level. Social dialogue institutions are often defined by their composition which can be either bipartite or tripartite. The tripartite actors are the representatives of governments, employers' and workers' organizations. (www.ilo.int).

2.3 Usefulness of Social Dialogue

Social dialogue offers a consultative platform for all stake holders for the betterment of the economy with the involvement of all stakeholders. Thereby all issues affecting the parties can be put into consideration.

It also gives room for review of all the policies that might have a bearing on the issues being discussed. There will be enough time to trace the root problem and try to give solutions to an all round view.

One advantage to the employer of consultation with trade unions over restructuring is cost. Employers are able to lower the cost of consultation with the workforce by entering into social dialogue with trade unions as the collective voice of the workers rather than having to establish a mechanism for collective consultation or to communicate with workers directly and individually.

2.4 Theoretical Underpinnings of Social Dialogue

The concept of social dialogue is deeply rooted in the following ILO Conventions and Recommendation:-

1. Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)
2. Tripartite Consultation (Activities of the International Labour Organisation) Recommendation, 1976 (No. 152),
3. Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113)

The main objective of convention 144 is to promote tripartism and social dialogue at the national level (ILO 2011). In so doing, ILO Convention 144 has been ratified by 128 ILO member states, including Zimbabwe, and it is given that in those countries, social dialogue has resulted in successful dialogue in a wide range of matters, including those not set out in the convention, thereby demonstrating the potential of social dialogue. The ILO (2011) further provides that the consultations required are aimed at assisting the government to make informed decisions by bearing in mind the views of the representative bodies of employers and workers.

2.5 Global Jobs Pact

Following the global financial crisis of 2008, the ILO constituents adopted the global Jobs Pact, which was a crisis response, aimed at providing principles for promoting recovery and development. At the global level, the tripartite partners were of the conviction that through collaborated efforts, the crisis could be overcome through, among others, engaging in social dialogue as a constructive processes to respond to the needs of the real economy, (Global Jobs Pact, 2009). Furthermore social dialogue should be used as an invaluable mechanism for the design of policies that would be in tandem with national priorities. In this regard, the commitment of governments, employers and workers would assist in overcoming the crisis through sustainable recovery. (Global Jobs Pact, 2009)

Nevertheless the Global Jobs Pact of 2009 failed to generate increased employment.

Social dialogue is as a tool for promoting stable democratic values, dealing with labour related conflicts, empowering those who lack power over others as well as themselves, creating harmony even when there is no overt conflict, fostering communication, helping

groups to face crises and generating solutions to problems and qualitatively improve the lives of people (Thamarajakshi, 2001).

2.6 Conceptual Framework of Social Dialogue

According to Sivananthiran and Ratnam (2003), social dialogue in many countries has developed into an important component of good governance. The importance so derived from social dialogue is in terms of furthering democracy and a productive and competitive economy in as far as it concerns economic and social policy. Sivananthiran and Ratnam (2003) further argue that social dialogue is the best platform sustainable implementation of the policies. They further highlight that economic and social progress cannot be achieved by any of the tripartite players in isolation and independent of the others.

Accordingly, social dialogue is a way in which the goals of economic and social progress, wealth creation, social security, stability and equity can be achieved. Social dialogue is hence an effective tool for overcoming collective challenges through an environment enabling efficient problem solving.

2.7 Prerequisites for social dialogue

According to Sivananthiran and Ratnam, (2003), social dialogue requires strong and independent organizations representing employers and workers who are best capacitated to access relevant information. The need for political will and commitment and a sound respect for fundamental rights and freedom of association and collective bargaining are also important for effective social dialogue. It is strongly argued here that the state has an important role to play in the creation of stable policies and a climate conducive for the social partners to work in freedom, without fear or reprisal, (Sivananthiran and Ratnam, 2003). Further, they argue that social dialogue can be successful if the process is linked to tangible outcomes in order to ensure that it is not regarded simply as a European phenomenon, but rather as a mechanism through which complex economic and social issues can be addressed. In this regard, the need for documentation and analysis of the entire process needs to be undertaken so that positive lessons can be drawn from the tripartite engagement.

2.8 Social Dialogue Opportunities

The past experiences of social dialogue have given a mixed picture of the effectiveness of social dialogue in different countries, Sivananthiran and Ratnam (2003). In essence, they argue that the future holds new opportunities and challenges, with globalization having presented the need for wider and deeper social dialogue arising out of varying interests. However, it should be borne in mind that social dialogue remains a dynamic asset in the hands of government and the social partners, providing a competitive advantage to countries who are committed to balanced and economic social development, (Sivananthiran and Ratnam, 2003).

The need to eradicate poverty has also presented a formidable challenge for the social partners. Thamarajakshy (2003) also argues that social dialogue will largely thrive in a system with political support, and that in countries where the social partners are weak; their role is only marginal, rendering them ineffective.

In addition, Thamarajakshy (2003) is of the view that social dialogue has a positive role to play not only in effective industrial relations, but also in the macro-economic environment. Examples are given of Ireland and Barbados where social dialogue was helpful in managing financial and economic crisis. In Ireland, in the late 1980s, the process of social dialogue successfully militated against the economic situation of the country that was made up of rising unemployment, escalating public debt, negative growth and poor living standards. Through social dialogue, the Irish economy was changed in a space of five to ten years from being one of the worst economies in the European Union to become one of the vibrant economies with an impressive growth rate and high employment levels, (Thamarajakshy, 2003). Similarly in the case of Barbados, significant success was realized through social dialogue, following the avoidance of an IMF prescription of devaluation. Through a number of social partnership agreements, the tripartite partners in Barbados managed to improve their economy's competitiveness as well as raising productivity levels through agreed wage freezes.

Social dialogue takes into account each country's cultural, historical, economic and political context. There is no "one size fits all" model of social dialogue for all countries, but the common denominator is freedom of association and the right to collective bargaining. Adapting social dialogue to the national situation is fundamental to ensuring local ownership of the process. Social dialogue is influenced by the form of government. In the developed world, for example in Europe, conservative party coalition governments proved to be a

tougher partner for the social partners than social democratic led governments, although some changes proposed by conservative governments were carried forward by the social democratic governments.

Social dialogue can be a significant factor in promoting good governance. In relation to governance of the labour market and the workplace, social dialogue ensures that those who are most directly affected by the decisions - enterprises, managers and workers - have a voice in the formulation and implementation of these decisions. This realization has led to innovative partnership at workplace level and participation by the social partners in many national labour market institutions. This trend should continue to grow to meet the complex challenges of globalization.

According to O'Donnovan, (2003), if social dialogue was used as a way of promoting and managing change, it would be one of the best ways to contribute most effectively to meeting the shared interests of employers, workers and governments, without necessarily using it as a conflict management tool.

2.9 Social Dialogue in South Africa

According to Edigheji and Gostner, (2003), social dialogue in South Africa is seen in a variety of institutions, conferences and informal consultations with a view to shaping the pattern of governance. This neither means to say that social dialogue in South Africa is not confined to a single institution nor is it found in institutional settings only, (Edigheji and Gostner, 2003). Social dialogue in South Africa is understood best from the institutionalization of the concept in the National Economic Development Labour Council (NEDLAC) which came into existence in 1994 through an enabling Act of Parliament. Prior to the formation of NEDLAC, Baskin (1996) notes that the mass stay aways were directed at the apartheid state's attempt to single-handedly impose economic policies on the country. In response to the unilateral imposition of policies by the apartheid government, two bodies came into existence, namely the National Manpower Commission and the National Economic Forum. Their main purpose was to limit the ability of the apartheid system to function. In this regard, Edigheji and Gostner, (2003) point out that the goal of social dialogue at this point in South Africa was not to enhance but to constrain the "undemocratic state" from imposing its will on the state.

It is further argued by Dexter (2000) that the history of social dialogue within the background of an illegitimate government played a part in the structure of social dialogue that emerged in the post apartheid South Africa. In essence, the South African history has meant that many issues and processes are placed within the social dialogue purview, unlike in most countries.

2.9.1 The Structure of NEDLAC

NEDLAC as a social dialogue platform in South Africa was established in September 1994 through an Act of Parliament. The specific mandate of NEDLAC as derived from the NEDLAC Act is to:-

1. Promote goals of economic growth, participation in economic decision-making and social equity;
2. Seek to reach consensus and conclude agreements pertaining to social and economic policy;
3. Consider all labour legislation relating to labour market policy before it is introduced in Parliament;
4. Consider all significant changes to social and economic policy before they are implemented or introduced in Parliament; and
5. Encourage and promote the formulation of coordinated policy on social and economic matters

NEDLAC executes its mandate through four chambers, which are the Labour Market, Trade and Industry, Development and the Public Finance and Monetary Chamber. According to Edigheji and Gostner, (2003), these structures are supported by a secretariat whose primary role is to assist the social dialogue process through coordination and research on pertinent issues as required by the Council. In terms of membership, NEDLAC is comprised of representatives of government, organised business, organised labour and the community. The Government team is made up of four core economic ministries that are Labour, Trade and Industry, Finance as well as Public Works, while business is represented by the apex body of employers, Business Unity of South Africa. Labour is represented by three trade union federations, namely Congress of South Africa Trade Unions (COSATU), Federation of Unions of South Africa (FEDUSA) and the National Council of Trade Unions (NACTU), (Edigheji and Gostner, 2003).

2.9.2 The Success of NEDLAC

Social dialogue in South Africa has achieved significant successes. Since its formation, NEDLAC has addressed a number of policy issues which fall within its mandate. Of significant note according to Edigheji and Gostner, (2003), is the fact that NEDLAC has considered over twenty pieces of legislation, recommended to Parliament the ratification of fourteen ILO conventions, concluded several codes of good practice for the labour market and undertaken over twenty-five national studies on pertinent topics including socio-economic trends, trends in collective bargaining, sector competitiveness and infrastructure delivery.

Notwithstanding the successes achieved by the South African social dialogue process, several challenges have confronted the process. Conflict has been inherent in the social dialogue process, with labour mobilizing its mass constituency to conduct protest actions aimed at pressuring the other partners to concede to their demands which led to the Marikana incident of 2012. Similarly, business would lobby government and Members of Parliament for support. In the same light, government exercised its right to govern by developing macro-economic policy changes without consultation of the social partners. It is in this regard that Edigheji and Gostner, (2003) point out that those constituencies at NEDLAC used different ways to pursue their goals. Through a realization by all parties to the dialogue process in South Africa that such actions would undermine the dialogue process, the parties recommitted themselves to social dialogue and NEDLAC as an institution.

However despite the 20 pieces of legislation South African labour relations have been fraught with difficulty, culminating in the 2012 Marikana shootings, today few analysts see NEDLAC as anything other than a disappointing failure.

2.9.3 Lessons Learnt from the South African Social Dialogue Experience

Through a close analysis of social dialogue in South Africa, several important lessons can be drawn. As one of the best practices, the South African experience gives an important learning point in that the dialogue process is characterized by trade-offs and compromises by all parties involved. In addition, the ability of signatories to ensure that their organizations stick to signed agreements. Thirdly, strong research capacity and skilled negotiators are of paramount importance in the success of any social dialogue process. The issue of leadership

commitment is also worth mentioning as an important lesson. Finally, the South African experience shows that social dialogue does not necessarily eliminate disagreement but rather provides a platform upon which such disagreement can be heard and discussed.

2.10 Social Dialogue in the Netherlands

The practice of regular consultation, as foreseen in ILO Convention No. 144, would foster trust and facilitate social dialogue on detailed economic view and offer solutions which can mitigate the effects of an economic decline. Netherlands is a case to be referred to for long established practice of national negotiations which allowed the Dutch tripartite partners act in crisis early stages. The social partners discussed the impending cost of the crisis in March 2008 and reached an accord on the significance of increasing labour market contribution, then retained older workers in employment. In January 2009, as the crisis unfolded, the Government convened a special tripartite crisis team, seeing an opportunity to collaborate with the social partners on urgent matters such as preventing mass redundancies and maintaining the purchasing power of the working population, as well as offering training opportunities to those workers who had lost their jobs. Also, it offered an opening for a tripartite approach to modernizing the labour market. After weeks of negotiations, the Dutch social partners agreed in March 2009 to a government package in which high priority was given to employment promotion through training and limiting enterprise costs.

2.11 Social Dialogue in Zambia

Zambian case is one of the successful countries in Southern Africa Social dialogue. Seshamani and Kanungu (1999) are of the view that Zambia is one of the few African countries with a highly liberalized market characterized by no government subsidies on prices and the elimination of Import Declaration fees in 1996. For Fashoyin (2002) such policies have contributed to the country's external competitiveness by reducing the duty on imported inputs.

The country has two national tripartite institutions, namely the Tripartite Consultative Labour Council (TCLC) responsible the labour market issues and the National Economic Advisory Council set up as the policy analysis forum which gives advice to the President and government. (Fashoyin, 2000). He further noted that with the forum has achieved much through social dialogue including the review of the labour laws to liberalize the economy and the amendment of the Industrial and Labour Relations Act in 1997 in line with the labour market requirements and ILO Conventions 87 and 98 on Freedom of Association and

Collective Bargaining. In analysis it can be noted that social concentration of this kind is an indispensable mechanism for the conflicting interests of stakeholders with the overall need for economic reform and national development (Fashoyin, 2002:32)

According to Fashoyion 2002, Although Social dialogue in Zambia has made significant impact in the country, several challenges have been faced by the parties, some of which include resources constraints and the lack of full time secretariat to undertake the more work of social dialogue bodies than mere administrative duties. In addition he noted that while there is a legal framework that mandates government to consult the social partners, this does not happen in practice, resulting in social partners questioning the willingness and commitment of the government to consult on key issues. As such, the social partners argue that they are used to rubber stamp government decisions. Furthermore Fashoyin (2002) is of the view that the effectiveness of social dialogue is determined by the seriousness with the government, and more specifically, the Minister of Labour as Chairperson. Thus the economic transformation ca be undermined if the parties are not able to work effectively.

2.12 Social Dialogue in Zimbabwe

According to the founding principles of the TNF social dialogue It is a voluntary and unlegislated chamber in which socio-economic matters are discussed, explained or negotiated over by government and the social partners namely Business and Labour. Its business is underpinned by the consensus building and win-win arrangements. Specific socio-economic issues are isolated and are dealt with resulting in the conclusion of specific binding protocols. The TNF is chaired by the Minister of Public Service Labour and Social Welfare and the government team is composed of other key socio-economic ministries, namely:-

1. Minister of Public Service Labour and Social Welfare
2. Minister of Finance
3. Minister of Industry and International trade
4. Minister of Agriculture and rural settlement
5. Minister of Transport and Communications
6. Minister of Mines and Mining Development
7. Minister of Media and Information Publicity
8. Minister of Small and Medium Enterprises Development

9. Minister of Tourism and Hospitality

Other members of the TNF are ;-

1. Employers Confederation of Zimbabwe (EMCOZ)
2. Confederation of Zimbabwean Industries (CZI)
3. Zimbabwe National Chambers of Commerce (ZNCC)
4. COMZ
5. BAZ
6. CFU
7. ZFU
8. ZCT
9. ZCFU

Labour

1. Zimbabwe Congress of Trade Unions (ZCTU)
2. ZFTU
3. Apex Council- representing Public Sector Trade Unions

Observers

1. The national Economic Consultative Forum (NECF)
2. Consumer Council of Zimbabwe (CCZ)

The founding principles are

- to identify socio- economic issues which can be negotiated over
- negotiate and agree on possible solutions to critical socio-economic challenges that face the country
- build confidence and portray a positive image of the country:
- monitor the implementation of agreed positions

Having given the general structure of the TNF, it is essential to provide the context within which social dialogue has been conducted in Zimbabwe.

2.13 Zimbabwe Country Context: The Policy Environment in Zimbabwe

Zimbabwe has developed and implemented several policies relating to economic development. Several of these policies point to the need to address economic problems within which government can govern.

i) Zimbabwe United Nations Development Assistance Framework (ZUNDAF)

The Zimbabwe United Nations Development Assistance Framework (ZUNDAF) 2011 notes that good governance and human rights are basics for sustainable human development” (ZUNDAF 2011: 6). Zimbabwe has appended her signature to the Millennium Declaration which is cognizant of the critical role that good governance plays in the ushering a platform for economic boom. The ZUNDAF further points out that social, economic, and political context of the decade preceding the 2012-2015 period has called for a renewed need to strengthen the outlook of public service and justice delivery in Zimbabwe. Furthermore, there is a renewed commitment by the Government of Zimbabwe and the United Nations Country Team in the ZUNDAF that the implementation of the framework will ensure a socially, politically and economically and environmentally stable environment that is conducive for economic growth.

The 2010 Country Analysis Report points to the fact that the decade preceding 2012 witnessed economic decline which took its toll through increased levels of poverty and unemployment. Accordingly, in order to rid itself of these challenges, Zimbabwe needs to implement a multi-faceted approach that embraces sound employment creation and economic growth. To this end, and with the specific intention of promoting pro-poor and sustainable growth, the ZUNDAF (2011) points to the support that the UNCT will render to the Government of Zimbabwe through:-

- “Enhanced economic management and pro-poor development policies and strategies
- Increased access to decent employment opportunities especially for youths and women; and

- Improved generation and utilization and data for policy and programme development and implementation by Government and other partners, (ZUNDAF 2012-2015:12)”.

In addition, the ZUNDAF (2012-2015) also argues for the importance of creating a competitive and sustainable environment that guarantees stable and markets that work well with the ability to stimulate employment opportunities, while strengthening social protection systems. It is noted in the framework that the lack of key statistics in the economy is a major hindrance for the development and effective implementation of policies.

In terms of economic management, the ZUNDAF response will be directed at the national level as well as at sectoral level, where the intention is to achieve an enabling environment for poverty reduction through the creation of decent work opportunities. The ZUNDAF asserts that the implementation of these interventions will endeavour to improve the environment for investment, trade, increased capacity utilization and productivity and competitiveness, paying special attention to the agricultural sector. Other areas of intervention deemed relevant in the framework relate to;

“...management of migration; formulation of coherent sectoral and national policies for economic recovery, growth and competitiveness; strengthening public finance and debt management, enhancing transparency and accountability in the management of resources, and strengthening national dialogue and participatory social, political and economic governance, (ZUNDAF 2011).

ii) The Kadoma Declaration

The Kadoma Declaration “Towards a Shared National Economic and Social Vision” is a product of negotiation of the tripartite constituents that was signed in 2009 after protracted negotiations that began in 2001. The Kadoma Declaration was conceived after the realization by the tripartite Negotiating Forum that it was desirable to address the entire macro-economic problems that the country was faced with, including the Country Risk Factor. The Country Risk Factor is defined as the “premium that is attached by nationals, residents, foreigners and

international bodies on residing in, visiting and/or doing business with a particular country, (Kadoma Declaration, 2009:2).

The Kadoma Declaration identifies the manifestations of the Country Risk Factor which include economic, commercial, political and social risk. It is outlined in the Declaration that the causes of the CRF are attributed to a variety of factors, some of which include the failure of the governance institutions to function effectively, mismatch between policy and action, lack of political tolerance, corruption, external interference in the country's affairs and a lack of respect for human rights, among others.

Accordingly, the Kadoma Declaration outlines the general impact that the country risk has had on the country's economy. The many negative ways in which the CRF has impacted on the economy as identified in the Kadoma Declaration (2009) include, among others:-

- a state of prolonged economic depression;
- premiums on doing business with the outside world;
- capital flight, reduction in Foreign Direct Investment and donor support;
- drying up of lines of credit;
- de-industrialisation;
- reduction in capacity utilization;
- high unemployment and underemployment and pervasive poverty;
- brain drain; and
- depreciation of human resource base

In view of the challenges identified as a result of the CRF, government and the social partners have resolved to implement measures to address the challenges which include the depoliticisation of the institutions of governance, commitment to the timely implementation of policies, democratization of the economic landscape through implementation of deliberate policies of social equity and empowerment in a legal, transparent and systematic way.

In terms of addressing the political risk, the declaration provides that government and social partners should desist from actions that increase the prospects of violence and work towards free and fair elections. In relation to the economic risk, the Kadoma Declaration envisages

that government should prioritise issues of macroeconomic stabilization including compliance with budgetary limits and the timely implementation of agreed macroeconomic stabilization programme. In the same vein, business and labour are urged to support the agreed stabilization programmes within their respective constituencies. The declaration also notes that through ensuring good governance by the government and promotion of good corporate governance by the social partners, Zimbabwe will be able to rid itself of the bad country image which increases the Country Risk Factor.

2.14 IMF Report on Zimbabwe for 2012

The country's economy began stabilizing and showed signs of recovery from 2009 after a long period of both economic and political turmoil. The IMF (2012) submits that the changes in the national policies that were implemented after the hyperinflation era and the formation of the coalition government in February 2009 together with a significant amount of off-budget grants and a relatively favorable external environment enabled the recovery. In addition, the IMF (2012) highlights that the adoption of the multi-currency system, introduction of cash budgeting and the cessation of quasi-fiscal activities by the Reserve Bank of Zimbabwe (RBZ) assisted in the stabilization of prices and inculcating a culture of fiscal discipline in the economy.

Given that Zimbabwe's economy is largely agro-based, the IMF notes that in 2012, the country's economy was affected by adverse weather conditions, resulting in an increase in imports of maize of 0.9 percent of GDP in 2012 from 0.6 percent in 2013. While the country registered high exports mainly of platinum, gold and tobacco, these were offset by even higher imports of fuel, machinery and transport equipment leading to a 36 percent deficit of GDP in 2011. The IMF (2012) also notes that the country experienced fiscal stress owing to poor performance of diamond revenues within the first half of 2012, which the government attended to during the mid-year fiscal policy review.

2.15 Zimbabwe's Economic Prospects

The IMF (2012) suggests that growth may moderate over the medium term. The slump in the economy experienced in 2012 is a reflection of the impact of adverse weather conditions on agriculture, as well as tight liquidity and poor electricity supply. However, it is estimated in the same report that mining is projected to remain vibrant, while enjoying the benefits of the lifting of trade restrictions on diamond exports from the Marange fields. It will be recalled that in 2011, the Kimberly Certification Scheme lifted the two-year ban on exporting diamond from Marange fields, (IMF, 2012:8).

The IMF (2012) further point out that investment seems to be affected by uncertainties arising from the indigenization policy and the political process while exports are being affected by soft commodity prices. The IMF further estimates that the medium term growth is expected to decelerate gradually to around four percent by 2017 although energy supply constraints and weak competitiveness may complicate the attainment of these growth rates. Foreign investment is likely to be negatively affected by a poor business climate, uncertainties with the implementation of the indigenization policy and political instability. On the domestic front, the IMF projects that domestic investors may be unable to access long-term credit.

In the main, the IMF report of 2012, notes that the country's growth potential is higher than the baseline projections although realizing that potential requires decisive action, and implementation of reforms focusing on strengthening public financial management, improving control over the payroll, rising the productivity of government expenditure, reducing financial sector vulnerabilities, addressing infrastructure bottlenecks, increasing competitiveness and improving the business climate. The IMF (2012) also takes note of the government's argument that the remaining international sanctions are detrimental to the country's ability to trade with diamond buyers thereby constraining access to external financing. The government authorities also commit to continuing the use of the multi-currency system until such a time that the country's economy "completely stabilizes", (IMF, 2012:10).

The ILO is committed to address economic challenges related to labour and help entrepreneurs to expand their activities and create incentives for them to formalize their businesses. This means encouraging them to innovate, generate employment, and invest in

human resources over the long term, thereby boosting economic growth and raising living standards.

2.16 The Kadoma Declaration

The Kadoma Declaration “Towards a Shared National Economic and Social Vision” is a product of negotiation of the tripartite constituents that was signed in 2009 after protracted negotiations that began in 2001. The Kadoma Declaration was conceived after the realization by the tripartite Negotiating Forum that it was desirable to address the entire macro-economic problems that the country was faced with, including the Country Risk Factor. The Country Risk Factor is defined as the “premium that is attached by nationals, residents, foreigners and international bodies on residing in, visiting and/or doing business with a particular country, (Kadoma Declaration, 2009:2).

The Kadoma Declaration identifies the manifestations of the Country Risk Factor which include economic, commercial, political and social risk. It is outlined in the Declaration that the causes of the CRF are attributed to a variety of factors, some of which include the failure of the governance institutions to function effectively, mismatch between policy and action, lack of political tolerance, corruption, external interference in the country’s affairs and a lack of respect for human rights, among others.

Accordingly, the Kadoma Declaration outlines the general impact that the country risk has had on the country’s economy. The many negative ways in which the CRF has impacted on the economy as identified in the Kadoma Declaration (2009) include, among others:-

- a state of prolonged economic depression;
- premiums on doing business with the outside world;
- capital flight, reduction in Foreign Direct Investment and donor support;
- drying up of lines of credit;
- de-industrialization;
- reduction in capacity utilization;
- high unemployment and underemployment and pervasive poverty;
- brain drain; and

- depreciation of human resource base

In view of the challenges identified as a result of the CRF, government and the social partners have resolved to implement measures to address the challenges which include the de-politicization of the institutions of governance, commitment to the timely implementation of policies, democratization of the economic landscape through implementation of deliberate policies of social equity and empowerment in a legal, transparent and systematic way.

In relation to the economic risk, the Kadoma Declaration envisages that government should prioritize issues of macroeconomic stabilization including compliance with budgetary limits and the timely implementation of agreed macroeconomic stabilization programme. In the same vein, business and labour are urged to support the agreed stabilization programmes within their respective constituencies. The declaration also notes that through ensuring good governance by the government and promotion of good corporate governance by the social partners, Zimbabwe will be able to rid itself of the bad country image which increases the Country Risk Factor.

2.17 Zimbabwe National Employment Policy Framework

As given in the Zimbabwe National Employment Policy Framework (ZiNEPF) of 2009, the overall policy objective is to “promote and secure full, productive and freely chosen employment for all under conditions of freedom, equity, security and human dignity”, (ZiNEPF, 2009:36). In pursuing this objective, the employment policy seeks to achieve an enabling and conducive environment for sustainable employment creation through, among others:-

- putting in place macroeconomic and sectoral measures for economic Recovery;
- targeting sectors that enhance the labour absorptive capacity of the Economy through creation of forward and backward linkages between sectors;
- reviewing the regulatory framework to encourage growth of small and Medium enterprises

The ZiNEPF (2009) further provides for the creation of an enabling legal and regulatory framework for investment and employment creation. The policy notes that some national laws, regulations and by-laws hinder the entry into the labour market by youths and therefore calls for the rationalization of these in order to provide a more friendly environment for the small and medium enterprises.

2.18 A Fair Globalization – The Role of the ILO (2013)

The ILO argues that its tripartite forums are able to bring about much waited investment and employment growth through Foreign Direct Investment through social dialogue, (ILO, 2013:23). In addition, the ILO is of the view that social policies alone are not adequate to ensure social progress, but can be complemented by developments in the economy, finance, trade, technology, investment, the environment and other related areas. In this regard, the need for policy coherence is therefore stressed, given that developments in one area rapidly affect another, as exemplified by the global economic crisis of 2008 where the financial crisis immediately spilled into an employment and poverty crisis.

2.19 Zimbabwe's Competitiveness

In 2010, Zimbabwe was ranked as one of the worst competitive economies relative to other comparator countries, (Kramarenko, et, al. 2010). Consideration was made of the global competitiveness index of the World Economic Forum, the world governance indicators of the World Bank, the Doing Business Report indicators of the World Bank and the Corruption Perception of Transparency International. Other factors used to measure the competitiveness of Zimbabwe were in relation to business start-up costs, wages, and access to basic infrastructure among others. In consideration of all these factors, Zimbabwe performed poorly on structural competitiveness across all dimensions meaning it is far less competitive on the global market place, (Kramarenko, et, al 2010:34). According to the global competitiveness index which captures a set of policies, institutions and factors that determine the level of productivity of a country, Zimbabwe ranked 132 out of the 133 countries surveyed, (IMF, 2010). As a result of high business costs, the country's competitiveness was thus compromised.

As a result of the social and economic challenges that face the country and the recognition by various stakeholders that the environment within which social dialogue takes place needs to be improved in order to address these challenges, stakeholders have identified strengthening of institutionalized social dialogue as one of national priorities. As a result this priority has been included in the Zimbabwe/United Nations Development Assistance Framework (ZUNDAF) for the period 2011-2015 and the Zimbabwe Decent Work Country Programme for 2012-2015. Some of the identified challenges of social dialogue include:-

- Lack of an institutionalized platform, given that negotiations are voluntary and called on an adhoc basis
- Lack of trust and political will among the parties;
- An intimidatory environment which lacks equal partnership and ownership
- Delay in the implementation of agreed decisions
- Parties do not negotiate in good faith;
- Poor coordination of parties;
- Politicization of the dialogue process
- Lack of the required mandate to make binding decisions
- Lack of an independent and fully fledged secretariat

2.2 Chapter Summary

In closing, this chapter has provided theoretical underpinnings to the concept of social dialogue, its usefulness and prerequisites for successful social dialogue. As discussed in the foregoing, social dialogue has immense potential and has been successfully used to pursue socio-economic development in many countries like South Africa and Germany. This chapter has also given the national context within which social dialogue had been undertaken in Zimbabwe with specific reference to the economic, political, social, environmental and legal policy environment in Zimbabwe between January 2008 and December 2014. Of particular importance is the reference to social dialogue and its usefulness in addressing economic problems in Zimbabwe.

CHAPTER THREE

PRESENTATION AND ANALYSIS OF DATA

3.0 Introduction

This chapter provides the fully presentation of data composed and moves on giving the conceptualization of Social dialogue in Zimbabwe and other countries

3.1 Population and Sampling Techniques

The population of the research was the entire membership of the Tripartite Negotiating Forum (TNF), its secretariat, TNF observers, University lecturers and technical experts from the International Labour Organisation (ILO) Harare Country Office. This configuration of the population is shown in table 3.1.

Table 3.1 Total Populations by Constituency

Group/Constituency	Number of Elements
Government	15
Business	7
Labour	7
TNF Secretariat	4
Observers	2
ILO Experts	2
Academia	3
Total	40

3.1.a Response Rate

The researcher approached a total of thirty respondents from the population of forty five members as given below:-

Table 3.2 Distribution of Survey Respondents by Constituency

	Government	Employers	Workers	Academia	Other Countries	Total
No. of Respondents	6	4	4	1	5	20

3.2 CONCEPTUALISATION OF SOCIAL DIALOGUE

The respondents generally expressed similar views of their understanding of social dialogue and related it to consultations among the tripartite constituents of government, organized business and organized labour, with the overall aim of improving some or all socio-economic matters affecting countries. This ties in well with the ILO (1999) working definition of social dialogue and is evidence of participants' fair appreciation of the subject under study.

3.2.1 Objectives of Social Dialogue

Respondents generally expressed broad and diverse views of the objectives of social dialogue in Zimbabwe. Of the views expressed, an established line of thought was that the aim of engaging in social dialogue in Zimbabwe during the reference period was to ensure consensus building over ways to address the socio-economic problems that the country is facing. In the same vein, some respondents pointed out that the overall objective was to create an enabling environment in which government could govern, businesses could thrive, and workers could find decent, productive and formal employment.

Arising out of these findings, it can be noted that the respondents were optimistic that social dialogue was a panacea to the various problems that the country was faced with between 2008 and 2014. In essence, it can be deduced that social dialogue was being pursued in order to jointly solve socio-economic issues through partnership of government and the social partners.

3.2.2 Economic Competitiveness

Out of the total fifteen respondents who participated in the study, 80% described the economy of Zimbabwe as being uncompetitive. Among the many reasons cited were the arguments that there were policy inconsistencies, lack of respect for property rights, poor investment climate and archaic technology which was no longer in line with technological advancements. Other respondents noted that the economy was under siege from political forces, making it unsafe for meaningful investment. Other reasons given for classifying the economy in Zimbabwe as uncompetitive were the noted inconsistencies and inadequacies in the availability and supply of utilities like water and electricity. The respondents also alluded to poor infrastructure as being inhibitive for economic operations.

The remaining 20% were of the belief that the economy in Zimbabwe is competitive in selected sectors where perfect competition does exist. However, the respondents also acknowledged the challenges on inputs. Table 3.2 shows the representation of respondents' views on the competitiveness of the economy of Zimbabwe.

Table 3.3 Description of Economy in terms of competitiveness

	Frequency	Percent	Valid Percent	Cumulative Percent
Not Competitive	12	80.0	80.0	80.0
Competitive	3	20.0	20.0	100.0
Total	15	100.0	100.0	

3.2.3 The Role of Social Dialogue in Creating an Enabling Business Environment in Zimbabwe

The researcher investigated the perception of respondents on whether social dialogue played a role in addressing the economic challenges in Zimbabwe. Of the total number of respondents interviewed, 73.3% believed that it did play an influential role, as shown in table 4.3 below.

Table 3.4: The Role of Social Dialogue in influencing the Economy of Zimbabwe

	Frequency	Percent	Valid Percent	Cumulative Percent
yes	11	73.3	73.3	73.3
No	4	26.7	26.7	100.0
Total	15	100.0	100.0	

The reasons cited for the influential role played by social dialogue include the development of socio-economic policies and promulgation of laws that are jointly discussed by the management and the societal partners. In addition, other respondents noted that social dialogue was pivotal in creating a conducive business environment because Zimbabwe's problems within the business fraternity were a result of poor international relations which could be overcome through dialogue by the tripartite parties agreeing on the best way forward. On this note, other respondents believed that social dialogue was necessary to break the impasse between Zimbabwe and the international community on the issues of economic sanctions which were militating against the realization of Zimbabwe's full economic potential.

Other respondents felt that social dialogue was necessary for the creation of an enabling business environment because buy-in from the business community would address several challenges affecting the business environment like poor capitalisation and low capacity utilization. Furthermore, some arguments were given in support of the role of social dialogue in that the Kadoma Declaration was a milestone in depoliticizing workplaces and addressing the Country Risk Factor which ultimately had an impact on the business environment.

As shown in table 2 above, some respondents felt that social dialogue did not have a role to play in creating an enabling business environment in Zimbabwe. These arguments arose out of submissions that the social dialogue process in Zimbabwe was largely politicized, and all socio-economic issues that could be discussed within the auspices of national consultations were political, and that social dialogue was merely a talk shop, without any meaningful outcomes.

While acknowledging the various views expressed pertaining to the role of social dialogue in creating an enabling business environment in Zimbabwe, the researcher notes that most respondents were of the view that social dialogue has an imperative role in influencing the economy.

3.2.4 The Achievements of Social Dialogue in Zimbabwe

In terms of the notable achievements that were made by Zimbabwe from 2008 to 2012, most respondents alluded to the Kadoma Declaration that was signed by the tripartite partners on 4 September 2009 and launched by the state President in February 2010. Most respondents emphasized that the signing and subsequent publicization of the Declaration was instrumental in strengthening the dialogue culture in Zimbabwe.

Furthermore, it was highlighted that the social dialogue process in Zimbabwe, mainly through the Tripartite Negotiating Forum had managed to diffuse tensions within the labour market, and a return to normalcy was witnessed during the reference period. Other achievements mentioned include the revision of the labour legislation through a Tripartite Advisory Council established by the Minister of Labour and Social Services in 2010, and the finalization of the Zimbabwe National Employment Policy Framework and the Zimbabwe Decent Work Country Programme for 2012-2015.

3.2.5 Strengths, Weaknesses, Opportunities and Threats of Social Dialogue in Zimbabwe

Arising out of the study, the researcher noted the strengths, weaknesses, opportunities and threats of the social dialogue process in Zimbabwe given by the respondents which are summarized in Table 4.4 below:-

Table 3.4: Strengths, Weaknesses, Opportunities and Threats of Social Dialogue in Zimbabwe

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> • Joint Decision making • Free Interaction • Realisation of the need for dialogue and inculcation of a dialogue culture as a means of resolving disputes • Commitment by the tripartite partners 	<ul style="list-style-type: none"> • Lack of legislation to govern the social dialogue process • Capacity constraints • Lengthy consultations and delay in policy implementation • Unreliable and erratic budgetary provisions • Lack of political will • Poor coordination • Non-binding nature of agreements • Use of power • Negotiating in bad faith • Irregular meetings • Disinterests by some government departments 	<ul style="list-style-type: none"> • Investment protection and promotion • Varying views taken on board • Ability to influence national policies • Social Partners better able to engage government • Creation of an enabling environment • Investor confidence 	<ul style="list-style-type: none"> • Polarisation of the dialogue process • Pending elections since 2008 • Speculative tendencies • Boycotts owing to lack of legislation

3.2.6 The Environment within which economy is Operating in Zimbabwe

3.2.6. Economic

Of the total number of respondents interviewed, the majority, accounting for 66.7% were of the opinion that the economic conditions prevailing in Zimbabwe during the reference period were retrogressive. The economic environment was described as unsustainable for business because it was characterized by a shortage of cash and was facing liquidity constraints,

making it difficult for economic growth. Some respondents argued that supply side bottlenecks like inconsistent and erratic supply of water and electricity was hindering economic operations. In some cases, respondents attributed the shortage of funding to economic sanctions imposed on Zimbabwe by some western countries, which restricted trade and possible investment. Other respondents also highlighted that it was cheaper in some cases to import finished products than to produce them in Zimbabwe because of the high production costs.

In addition, poor and archaic infrastructure was also cited as an impediment to economic development in the country. The issue of a lack of guarantee for property rights was raised by some respondents who felt that this stood in the way of meaningful investment as the environment was generally not competitive unlike other countries in the region who had such guarantees. Other reasons given for describing the economy as unfavorable include skills flight and a resultant shortage of skilled personnel in some key sectors like engineering.

However, of the 33.3% who described the environment as either favorable or average, the reasons given were that the economy was in a recovery mode. Figure 3.1 shows the graphical representation of the environment within which economy is operating in Zimbabwe.

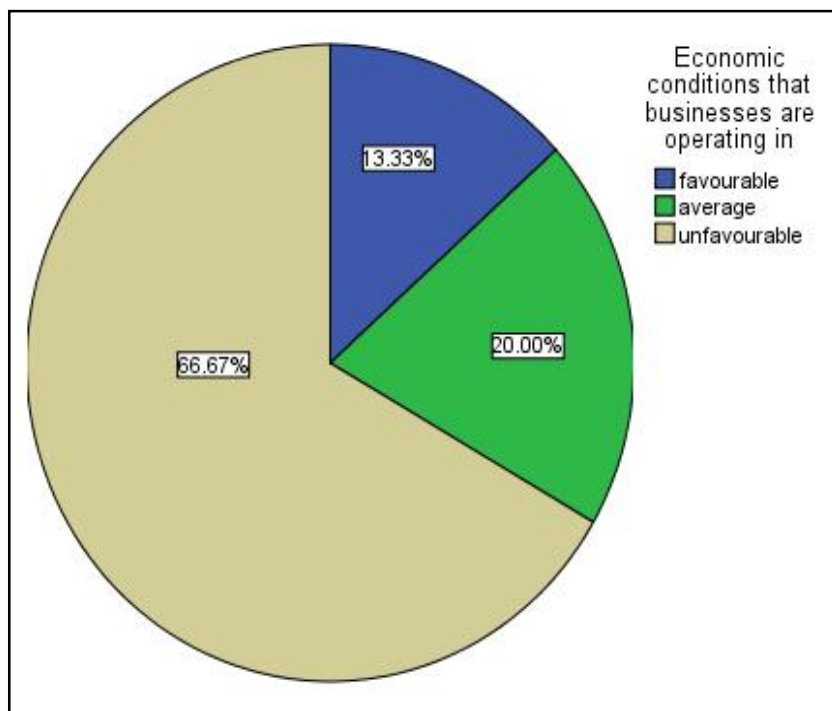


Figure 3.1: Percentage Distribution of the Environment within which Economy is Operating in Zimbabwe

3.2.6. Political (Overall Political Stability, Good Governance, Respect for Human Rights and International Labour Standards)

As shown in table 4.3 below, all but one respondent observed that the political conditions in Zimbabwe were uncertain, making it unfavorable for business in the country during the reference period. In terms of overall political stability, most respondents noted that the political developments in the country between 2008 and 2014 had ushered in an uncertain environment given that the Government of National Unity was set up as an interim measure after which general elections were to be held within a period of eighteen months. However, respondents noted that the continuous postponement of elections sent negative signals to would be investors, coupled with laws such as the Indigenization, Economic Empowerment Act and ZIM-ASSERT. Other respondents argued that there were some policies that were developed for political expediency and these were counterproductive to addressing economic problems.

In terms of good governance, it was generally observed that the Government of National Unity has instilled some good governance, owing to the watchful eye of regional bodies like the SADC and the African Union. Most respondents also noted that the respect for human rights and international labour standards was somehow improving as evidenced by the establishment of the Human Rights Council and the implementation of the ILO recommendations on the Commission of Inquiry of 2009.

An analysis of the various views expressed points to the fact that there was near unanimity in the description of the political conditions in Zimbabwe as being uncertain, and hence unsupportive of business as a whole.

Table 3.5: Political conditions within which Social dialogue is operating in Zimbabwe

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Stable	1	6.7	6.7	6.7
Uncertain	14	93.3	93.3	100.0
Total	15	100.0	100.0	

3.2.6.3 Social (Existence of Social Protection, Education, Training, Social Inclusion)

Table 3.4, below highlights that twelve out of the fifteen respondents noted that the social conditions in Zimbabwe during the reference period was poor, citing inadequate social protection measures and poor economic performance. Most respondents noted that there was high unemployment in Zimbabwe due to poor performance of the economy. In the same vein, it was noted that the inadequate social protection mechanisms meant that retrenchees and pensioners were not able to get benefits that could sustain them after their employment. Another vivid example given was the loss of pension savings upon adoption of the multi-currency system in February 2009 which rendered all Zimbabwe dollar pensions inaccessible. Other reasons given for poor social conditions include high unemployment levels, skills flight to the diaspora and the HIV and AIDS pandemic which had a severe toll on society at large.

In addition, respondents noted that the inadequate and erratic supply of basic utilities such as water and electricity burdened society and had ripple effects in relation to the outbreak and spread of diseases such as cholera and typhoid which were a national catastrophe in 2008 and 2009. In this regard, it was submitted that business could not function at an optimum with an

unhealthy and ailing workforce, hence rendering the social condition unfavourable for business.

On the contrary, three respondents noted that the social conditions were favourable for business in Zimbabwe, because of the existence of social protection systems, highly skilled workforce, and the provision by government of training institutions to adequately prepare graduates for the world of work.

Table 3.6: Social conditions within which businesses are operating

	Frequency	Percent	Valid Percent	Cumulative Percent
Favorable	3	20.0	20.0	20.0
Unfavorable/poor	12	80.0	80.0	100.0
Total	15	100.0	100.0	

3.2.6. Environmental (Equitable Consumption of Natural Resources)

The majority of respondents, accounting for 80% were of the belief that the environmental conditions in Zimbabwe were not favourable to business. While most argued that Zimbabwe is endowed with many natural resources like diamonds, gold, platinum, tourist attractions and arable land, the line of thought was that the natural resources were being exploited to benefit a select few. In this regard, several respondents supported the idea that the natural resources were not being equitably consumed. Others were of the view that government was not actively reinvesting in the natural resources, and that they were being depleted without due regard of renewing them.

Most respondents gave the example of the mining of diamonds and noted that the mainstream economy was not benefiting from their extraction and not much information was available pertaining to their contribution to the national economy. However, three respondents were of a contrasting opinion and argued that the necessary environment was permissible for business venture and it in fact encouraged investment because of the immense potential that untapped resources provided to would be investors.

Table 3.7: Environmental conditions within which businesses are operating

	Frequency	Percent	Valid Percent	Cumulative Percent
Favourable	2	13.3	13.3	13.3
Unfavourable/poor	10	66.7	66.7	80.0
other (specify)	3	20.0	20.0	100.0
Total	15	100.0	100.0	

3.2.6. Legal/Regulatory

The legal conditions within which business operates in Zimbabwe were described by 86.7% of the respondents as being unsupportive of business. The respondents noted that legal provisions were restrictive and detrimental to business interests. Some of the reasons given were that labour legislation was stringent and divorced from recent trends of high retrenchments and production viability constraints. An example was given of Arbitration awards that were not in sync with developments within the economy. Although 13.3% of the respondents argued that Zimbabwe had enacted good legal instruments, other respondents pointed to the selective application of some laws like those pertaining to the land reform and indigenization drive.

The cumbersome registration procedure was also cited as a hindrance to business because of the many processes involved which include name registration, tax registration, health registration and Employment Council registration among others. Table 4.8 shows the responses in this respect.

Table 3.8: Legal/regulatory conditions within which businesses are operating

	Frequency	Percent	Valid Percent	Cumulative Percent
Supportive of business	2	13.3	13.3	13.3
Restrictive/prohibitive of business	13	86.7	86.7	100.0
Total	15	100.0	100.0	

Since its establishment, the TNF was involved in issues of national socio-economic concern, including the conclusion of important agreements such as the tax relief measures in September 1998, a Declaration of Intent Towards a Social Contract in 2000, Prices and Incomes Stabilization Protocols of 2003 which were later renegotiated and signed in 2007 as well as the Kadoma Declaration of 2009. (etd.ohiolink.edu).

Since its establishment, the NECF has achieved a number of outputs, notably, an Industrial Policy Framework for Zimbabwe; a comprehensive study on the brain drain in the country and the economic impact arising out of such migration; and also developed the Zimbabwe Millennium Economic Recovery Plan. Furthermore, its deliberations led to the formation of the TNF.

Also talk about these important issues

- Coordination and functioning of the TNF
- Levels of social dialogue in Zimbabwe

3.2.7 Findings from other African Countries

The researcher also had the opportunity to interact with labour administrators from other African countries namely Liberia, Malawi, Nigeria, South Africa and Zambia. The main objective was for the researcher to gain an understanding of how other countries perceived the relationship between social dialogue and the business environment.

Although the five respondents had varying ways in which they expressed their understanding of social dialogue, a common line of thought that emerged was that social dialogue was a consultative process in which representatives of governments met with their social partners to discuss socio-economic matters with the view to establish an agreed way out of pressing challenges. It is noted from the findings that social dialogue is practiced in their respective countries and that the main objective is foster industrial harmony and contribute towards socio-economic development.

Of the five respondents who participated in the study, four pointed to the fact that social dialogue was instrumental in the creation of an enabling business environment in the sense that pertinent issues affecting business could be subjected to dialogue in order to find lasting solutions. In addition, it was pointed out that social dialogue was directly linked to productivity; hence the social partners did play a role in influencing the business environment. The only respondent who differed with this line of thought was of the view that social dialogue was not entirely used for socio-economic discussions in their country, but

rather for enterprise level discussions. In this regard, the respondent felt that social dialogue had no influence in the business environment in their country.

In terms of business competitiveness, the respondents from Liberia, South Africa and Zambia described their respective business environments as being very competitive.

3.2.7. Liberia

The respondent from Liberia indicated that social dialogue is practiced in the country and there are current efforts to legislate the process. The current structure is chaired by the Minister of Labour and is composed of four government representatives and three each from workers and employers. In terms of competitiveness, the respondent described his country's business environment as being very competitive, with business having various competing interests. The respondent described the operating environment in Liberia as being composed of a good and improving economy, stable political environment and a developed social protection strategy.

Malawi

The respondent from Malawi noted that social dialogue was practiced in his country, and that it was a flexible arrangement wherein government could consult employers and workers over socio-economic issues and where the social partners could engage each other without the involvement of government. He submitted that social dialogue was institutionalized within the Industrial Relations Act. In terms of competitiveness, he pointed out that business in Malawi was not competitive owing to monopolies in the information communication technology and few players in the banking sector. He was of the view that social dialogue had an influential role to play in influencing the business environment. In terms of the conditions within which enterprises were operating in Malawi, he was of the view that the macro-economic conditions were tough, characterized by high taxation and inflexible rules governing the business environment.

With regard to the political conditions, it was noted that Malawi was politically stable, although politicians had an influence in business transactions like the awarding of government contracts. He also indicated that there was not much social protection, and that

their education system needed to be changed in order to meet the demands of industry. The respondent also submitted that their natural resources were being depleted at an alarming rate and that there was need to amend existing laws to make the business environment more conducive for business.

Nigeria

According to the respondent from Nigeria, social dialogue was practiced in her country mainly at the federal level with the aim of negotiating with the social partners on labour administration issues. She described the business environment in her country as average, and did not see the specific role that the social partners could play to influence it. She described the political conditions in Nigeria as promising, with good governance and the country having ratified thirty five ILO conventions. She also indicated that there was a gap in the implementation of various laws regulating the business environment.

South Africa

The South African respondent noted that social dialogue was practiced in his country at the national, sectoral and company levels with the objective of engaging on all proposed labour legislation and significant changes to socio-economic policies. He made reference to the NEDLAC Act of 1994 which provided the legal framework for social dialogue. He described the business environment in his country as reasonably competitive where the social partners played an important role in shaping the economy.

In terms of the conditions within which enterprises were operating in South Africa, he made mention of a sound macro-economic environment with stable financial institutions and an industrial policy action plan detailing sectoral targets. The political conditions in South Africa were described as good, characterized by good governance, respect for human rights and a Human Rights Commission in place to enforce such rights. In terms of social conditions, the respondent alluded to a comprehensive social protection system, inclusive of old age pension, child support grants and unemployment and insurance compensation for occupational diseases and injuries.

Zambia

The respondent from Zambia mentioned that social dialogue was practiced in his country at the national level through the National Tripartite Consultative Labour Council, and at enterprise level through safety committees. He indicated that the objectives of social dialogue in Zambia were to build consensus over issues relating to socio-economic policy. The respondent described the business as fairly competitive given that market forces dictated the price goods and there was no chance for monopoly. He added that social dialogue did play an important role in influencing the business environment through productivity enhancement. With reference to the conditions within which business operates in Zambia, the respondent indicated that government had put measures in place for a conducive environment; there was political will and adequate social protection measures. He added that government and the stakeholders had prioritized environmental protection and there was respect of the law through an independent and strong judiciary.

3.3 Chapter Summary

This chapter has provided an insight into the findings of the research. By and large, it should be noted that social dialogue is indeed practiced in Zimbabwe at company, sectoral and national levels. The overall perception of respondents points to an environment which is not supportive of social dialogue. Hence, it can be deduced from the responses given that social dialogue has not been effective in addressing the economic problems in Zimbabwe, despite the achievements made by the tripartite partners. The findings also point to various social dialogue experiences of other African countries where it is noted that social dialogue has been effective in addressing economic problems.

In conclusion, the rationale of undertaking the proposed study is based on the need to make a contribution to the current social dialogue processes at the national level from a management perspective. Arguably, not much has been done in the area of social dialogue notwithstanding its usefulness as a strategy for strengthening the capacities of the social partners to collectively address the socio-economic issues that have affected the country in recent times. As discussed in the foregoing, the contribution of the tripartite partners in creating an enabling business environment cannot be over-emphasised. Finally, it is expected that the

proposed research will add to the existing body of knowledge in terms of the role that various players can play in influencing the operating business environment.

CHAPTER FOUR

CONCLUSIONS AND RECOMMENDATIONS

4.0 Introduction

This chapter provides the overall conclusions that can be made from the study and proffers some recommendations on the way forward. Arising out of the findings of the study and the discussion made in the preceding chapter, the present chapter outlines possible areas of further research to build on the findings of this study.

4.1 Conclusions – The Effectiveness of Social Dialogue in Addressing Economic Problems in Zimbabwe

The main conclusion that can be drawn from the study is that social dialogue in Zimbabwe has been ineffective in addressing economic problems as defined in this study.

Specific Conclusions

4.1 The Role of Social Dialogue in Zimbabwe

It can be concluded, that social dialogue has provided a platform for engagement of government and the social partners, although much of the work has not directly helped in addressing the economy. This can be related to the TNF of Zimbabwe leading to the amendment of the Labour Act in 2014.

4.1.1 The Institutionalization of Social Dialogue in Zimbabwe

Notwithstanding the achievements made through the social dialogue process in Zimbabwe, it can be concluded that the lack of a legislative framework has militated against the realization of social dialogue's full potential in Zimbabwe. The fact that the Tripartite Negotiating Forum (TNF) meets in an ad hoc manner renders social dialogue dispensable and optional as a way of dealing with pertinent socio-economic issues affecting the country.

4.1.2 The Economy in Zimbabwe

The economy from 2008-2014 was largely influenced by political developments, and this minimized and downplayed the role that social dialogue could have played in addressing the economic activities. This can be pointed to the current retrenchment programs leading to termination of employment contracts with working package.

4.2 Recommendations

4.2.1 Provide legal back-up to the Social Dialogue Process in Zimbabwe

The main hindrance identified by respondents relates to the manner of coordination and functioning of the TNF as a voluntary and unlegislated chamber. It is recommended that the TNF be legislated and lessons be drawn from the South African experience where a legislated NEDLAC has been vibrant and contributed to socio-economic development. It is noteworthy to point out that the South African economy is among the best in the region, and this is attributed to a well-functioning social dialogue system.

4.2.2 Ensure a depoliticized social dialogue process

It is further recommended that the social dialogue process be depoliticized and managed professionally without resort to use of power by the various stakeholders involved. The continued implementation of the Kadoma Declaration “Towards a Shared National Economic and Social Vision” should be prioritized nationally by the tripartite partners

4.2.3 Monitor the implementation of agreed positions

Upon reaching agreements by the parties, it is recommended that such agreements be expeditiously implemented, and that a monitoring and evaluation mechanism be put in place to constantly explain the tripartite partners of progress made in program implementation.

4.2.4 Raise the Profile of Social Dialogue in Zimbabwe

It has been noted that social dialogue is not being prioritized by the both the government and partners as a lucrative strategy for pursuing socio-economic development. Accordingly, it is recommended that the profile of social dialogue be raised in order for the tripartite constituents to be held accountable by the nation at large.

It has also been noted that social dialogue is based on volunteerism. Therefore there is need to put pieces of legislation that make the parties abide to their agreements.

4.2.3 Areas for further Study

The present research provides an opportunity to look into other areas that can be studied in future. Such areas include an environment for a win-win situation on the partners of social dialogue issues that ultimately have a bearing on shaping the country's economy. In addition, the impact of collective bargaining on the country's economy could also be looked into.

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RESEARCH INSTRUMENT

TOPIC: THE EFFECTIVENESS OF SOCIAL DIALOGUE IN ADDRESSING ECONOMIC PROBLEMS IN ZIMBABWE (JANUARY 2008 - DECEMBER 2014)

My name is Brave Bikoloni. I am a student at Midlands State University, under the faculty of Social Sciences in the department of Politics and Public Management. I am currently undertaking research in the field of industrial relations and my topic is entitled “The Effectiveness of Social Dialogue in addressing economic problems in Zimbabwe (January 2008- December 2014). I am interested in getting your views on this topic and would appreciate answers to the questions I have designed to guide our discussion. This will take approximately 30 to 45 minutes and I wish to assure you that the information gathered will be used solely for academic purposes and will be kept confidential. I would also be delighted to share my findings with you should you be interested.

Thank you for your kind consideration of my request.

1. Which country do you come from?

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2. What is your general understanding of the concept of social dialogue?

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3. Is social dialogue practiced in your country? At which levels?

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4. What are the main objectives of social dialogue in your country?

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5. Is there any legislative framework to compliment social dialogue in your country?

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6. If so, when was the legislation promulgated?

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7. What is the membership of the national social dialogue structure in your country?

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8. How would you describe the economy of your country in terms of competitiveness from January 2008 to December 2014?

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9. Do you see social dialogue playing a role in addressing the economic challenges of your country? If so, what role?

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10. Did the economic challenges in your country change as a result of social dialogue?

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11. What role did the social partners play in addressing economic challenges between January 2008 and December 2014?

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12. Did your Government put in place a mechanism of engaging social partners over economic policy?

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13. What role do you see the ILO playing in addressing economic challenges in its member states?

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14. What were the strengths of the social dialogue structure in your country?

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15. What were some of the notable achievements of the social dialogue process in your country?

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16. What were the weaknesses of the social dialogue process in your country during the reference period?

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17. What recommendations can you make for strengthening tripartism in order to help with addressing economic problems?

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18. What are the main opportunities and challenges that the economy faces in your country in relation to social dialogue?

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19. Are there any areas that need policy reform in your country's social dialogue structure? If so, which areas?

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20. How would you describe the following conditions within which economy operated in your country between January 2008 and December 2014?

a) Economic (labour, trade, fiscal policies)

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b) Political (overall political stability, good governance, respect for human rights and International Labour Standards)

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c) Social (Existence of Social Protection, education, training, social inclusion)

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d) Environmental (Equitable consumption of natural resources)

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e) Legal or regulatory

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Thank you very much for participating in my research. Your assistance is greatly appreciated. God bless you.