

## **FACULTY OF SOCIAL SCIENCES**

## DEPARTMENT OF POLITICS AND PUBLIC MANAGEMENT

AN ASSESSMENT OF THE IMPACT OF ECONOMIC STRUCTURAL ADJUSTMENT PROGRAMS IN THE DEMOCRATIZATION PROCESS OF ZIMBABWE FROM 1991 TO 2010.

BY

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DISSERTATION SUBMITTED IN LIMITED FULFILLMENT OF THE REQUIREMENTS OF THE BACHELOR OF SCIENCE IN POLITICS AND PUBLIC MANAGEMENT HONOURS DEGREE.

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Submitted by PHATSIMO P. PHIDAH in partial accomplishment of the requirements of Bachelor Science in Politics and Public Management.

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#### **DEDICATION**

This is dedicated to my mother Miss Ednah Sidange Moyo for being an inspiration and stimulation to me and giving me all the support. Everything that comes from her mouth is full of life and she always challenged by saying that she has invested all her success in me hence that is only possible if I work hard.

To my friends Donald Magaracha and Samuel Muleya for the support they gave me for the past for years up to date in every sphere of live and for the good times we shared.

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....follow excellence and success will run after you.

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Splendour be to God

#### ABSTRACT

The adoption of the Economic Structural Adjustments Programs in Zimbabwe from 1991 to 1995 has provoked a debate both internally and internationally as to what extent have they hindered or promoted the democratization process in Zimbabwe. Although the programs ended in the year 1995, their effects continue be felt in all the sectors of life up to date. The study examined how the programs were adopted and their impact on the democratization process and gave recommendations on recovery from such effects. The ministries including that of Finance, Defence and State Security were the key involved in the adoption of these programs. However the all the sectors were one way or the other affected including the Ministry of Trade and that of Education specifically higher and tertiary education. In Zimbabwe, democratization was largely compromised for example the economy performed badly thereafter and there was disgruntlement and people were angry at the government. There was the rise of mass trade unionism for example the Zimbabwe Congress of Trade Unions (ZCTU) which marked an era of first confrontation with the government and the birth of a major political opposition party in form of the MDC. The research also looks at the reaction of the state using state apparatus like the police, the army and war veterans and formation of pro-state organisations to counter attack opposition for example the formation of the Zimbabwe Congress Of Students Union (ZICOSU) as a students' movement to counter the activism of Zimbabwe National Students Union (ZINASU) which is students union which was dominating the Students Representative Councils in all tertiary institution and was funded by the MDC in terms of both finance and doctrine. ZINASU used the grant issue to touch the hearts of the grieving students after the grants were stopped as a result of the after effects of ESAPs on the economy. The concept of the separation of the three arms of the government that is the Executive, Legislature and the Judiciary was also compromised as the ZANU PF government was fast loosing grip hence to a greater degree the concept of democratization was compromised. However the research also noted that democratization was fostered as a result of the ESAPs. Multiparty system was embraced at a later stage though it is still a challenge to be recognised fully especially referring to the case of the MDC which up to now is facing political victimisation.

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### ACRONYMS

AIPPA ESAP	Access to Information and Protection of Privacy Act Economic Structural Adjustment Programs			
MDC	Movement for	Democratic Change		
POSA	Public Order and Security Act			
ZICOSU	U Zimbabwe Congress Of Students Union			
ZINASU Zimbabwe Nation Students Union				
ZCTU	TU Zimbabwe Congress of Trade Unions			
ZANU-PF	Zimbabwe	African	National-Patriotic	Front

## 0.1 INTRODUCTION

The Economic Structural Adjustment Programs can be best understood in terms of what democratization is, its elements, relations between the state and the citizens, concept of the separation of power, role of the civil society, military professionalism and participation of ordinary citizens. In relation to this, it is pertinent to note that before the adoption of the ESAPs, the interaction and relationship between the state and ordinary citizens was open. There was feedback to the people on every state activity at the people were given various platforms to be heard. The concept of the separation of power between the three arms of the government that is the Executive, Legislature and Judiciary was respected and there was military professionalism. These where ignored and to a certain extent violated after the failure of the program hence bedevilling the democratization process

**Ake, C (1992)** postulates that throughout the first decade of independence in Zimbabwe, so long as the industrial segment continued to deliver employment and the economy experienced diffident progression, the status quo was acceptable in urban zones. However, as ESAP threatened the industrial segment, and in the longer term, generated amplified unemployment, the government was faced with the prime of deserting the program or facing electoral overthrow.

The research is very sketchily, anxious with assessing the knowledge in Southern Africa in promoting multiparty politics in wide-ranging and opposition political motion in precise in a context that is noticeable by an enduring delinquent of economic sluggishness, which over 15 years of structural adjustment has botched to inverse especially in the case of **Zimbabwe**, with far-reaching social and political consequences. The domestic economic background of the political reforms which have been commenced in Zimbabwe since the late 1980s is one which has been narrow-minded mainly by the neo-liberal market creed. Since the late 1970s, African countries have, one after the other, under continuous donor stress and conditionality, had to adopt the neo-liberal-inspired programme of Economic Structural Adjustment premeditated by the International Monetary Fund (IMF) and the World Bank, to challenge their hastily fading economic fortunes. The adoption of market-based economic reforms in Zimbabwe took place in the context of the prompt spread on a global weighbridge of neo-liberal monetarist ideas even as

socialist ultimate planning and Keynesian welfarism went into a shrill decline and began to be dismantled

The theory core structural adjustment is indeed profoundly defective according to modern political scientist, given the unrealistic resolutions behind it. In fact, considerable indication suggests that because of close loyalty to the prescriptions of the adjustment program, Zimbabwe's economy declined noticeably in the 1990s. In Zimbabwe, the government robustly indorsed the reforms, implementing trade liberalization through free contact to foreign exchange a year ahead of agenda.

#### **BACKGROUND TO THE PROBLEM**

Zimbabwe's Economic Structural Adjustment Program (ESAP) was inaugurated officially in 1991. Although the program perished in 1995, its after effects continue to be felt and it is also pertinent to note that it can be traced back to 1985 although it was adopted at a later stage. The advent of meaningful political rivalry in Zimbabwe, in the semblance of the Movement for Democratic Change (MDC), established in 1999, is due partly to the sway of ESAP and the rise to eminence of the labour movement. MDC has its origins in the country's trade union movement, as it was workers who were most affected by increasing unemployment and diminishing real wages under ESAP. Democratization, deregulation and devaluation of the Zimbabwean dollar led to the above cited upheavals. According to *Stan Mudenge (2002)* the economic calamity of the 1980s, and the sharp decline in public proceeds which it implied, led to further bouts on the social and wellbeing expenditure of utmost Southern African states as governments espoused a variety of asceticism policies aimed at managing with their fading economic locus.

The crisis situation induced in an establishment of the authoritarian impulses of the post-colonial African state, partly because its fading ability to meet the welfare needs of the citizenry translated into a deepening legitimacy crisis, but also because the asceticism measures espoused

by governments often incited strikes and riots which were mostly brutally kerbed especially in the case of Zimbabwe. It is a fact beyond any reasonable doubt that even as the social expenditure of the elite chopped down in real terms, the resources ardent to defence and security matters either sustained their share of the public expenditure or even grew. The authoritarianism of the state became increasingly associated with a sharp diminution in its ability to meet the welfare needs and aspirations of the populace. Struggles against this gradual dissolution of the post-colonial `social contract' intensified with mixed results. In many cases, governments became pre-occupied with repressing all antagonism to their rule; sanctuary increasingly became the core of governance and it was defined in uncovered terms that aimed to allow as little room as possible for independent political action and the encroachment of human and peoples' rights and civil freedoms (*Bangura 1992; Mustapha 1988*).

In seeking to outline the root cause of the problem, the research looked at the political, social and economic mishaps that southern African states for example Zimbabwe. Complications were created by the continuing implementation of domestically unpopular structural adjustment programmes, which over a decade and a half after their introduction in Zimbabwe, have failed dismally to reverse economic decline on the continent even as they continue to exact huge social and political costs, represent one of the greatest sources of threat to the contemporary democratic project in . Most Southern African countries today are operating `democratic' changeovers without an effective and coherent political opposition that is seen by the generality of the populace as constituting a dependable unconventional to the discredited incumbents which they seek to replace.

In seeking to develop this argument, the research considered the ubiquitous views in the literature on the relationship between economic development and democracy and on the role of the opposition in the democratisation process, the effects of economic crisis and structural adjustment on the quest for democratisation in Zimbabwe, and the experiences, since the late 1980s, of political liberalisation in the context of neo-liberal economic reforms for example the case of Zimbabwe.

According to the same scholar ,the widespread opposition to Economic Structural Adjustment Programs fed into the local agitation for political reforms in most Zimbabwe, and given that most of the governments that were elected as a concern of the successful campaign for political change have simply strengthened implementation of conformist structural adjustment policies, it is not difficult to see the myriad of problems which are posed for the deepening of the democratic process in Southern African states. This is all the more so as the objective reality of economic deprivation and hardship combines with the authoritarianism which Structural Adjustment implementation elicits to undermine the consolidation of the democratic evolution of Southern African countries. The research argued that the position that what the current conjuncture in Zimbabwe calls for is a developmentally concerned with state with a fully revamped constitutional basis which is sensitive to the demands of lucid economic policy-making, the social welfare of the populace, and the goals of electoral multiplicity and political liberalisation.

It should not be ignored again that the research thoroughly compared Zimbabwe before adopting these programs and after to solidify the impact Structural Adjustment Program and their impacts on the democratization process; as to what extent was democracy achieved or compromised.

#### **STATEMENT OF THE PROBLEM**

The research focused on the impact of Economic Structural Adjustments Programs in the democratization process of Zimbabwe.

#### JUSTIFICATION FOR THE STUDY

The research is an assessment of the impact of SAPs in the democratization process, how it affected the political terrain of Zimbabwe and to find how best it can reclaim their social, economic and political glory that has been infiltrated for the past decades. Through the use of a comparison of the situation in Zimbabwe before the adoption and after, the project found a possible cure for the paralysis that was caused by these programs and its reverberation. The research also provided a basis on how Zimbabwe can pull up its stockings and how it can avoid such economic, social and political upheavals in future and on the other hand how democracy was achieved as an end and its implications.

#### LITERATURE REVIEW

Sidell, S. (1988) in his book *The IMF and Third World instability* postulates that with the clinch by one African state subsequently the other of IMF and World Bank structural adjustment programmes during the arrangement of the 1980s, whatever was left of the post-colonial `social contract' was apportioned more methodical and unceasing upsets. Democratization, deregulation and devaluation of the Zimbabwean dollar where also midst its circumstances of reception or retrieving funds from these foundations. The all-inclusive structural adjustment prototypical was premised on a single-minded anti-statism which included direct and indirect spasms on the social expenditure of the Zimbabwe. Cost recovery measures, food subsidy, exertions at the general constraint of public disbursements, the de-control of prices, the commercialisation and privatisation of public enterprises, the thoughtful holding down of remunerations even as inflation soared and native currencies were constantly devalued, and the cutbacks on a massive gage of public sector employees were just a few of the policies concomitant with Economic Structural Adjustment Programs which collided with at the temperament of what was left of the post-colonial `social indenture'.

*Ghai* (1992) postulates that as far as Southern Africa chiefly Zimbabwe is fretful, the increase of universal neo-liberalism not only inescapable that native political change was inducted in the context of enduring economic decay and Structural Adjustment, but also that designated governments could scarcely overlook the hegemonic political marines in the international coordination that had themselves taken on sustenance the neo-liberal creed of the arcade in their dealings with the countries of the Third World in common and Zimbabwe in particular. The emergence in the post-Cold War intercontinental scheme of circumstances backing political reorganizations in Southern Africa did not concurrently harvest settings for the hitch, or even alleviating, of neo-liberalism or structural adjustment. The post-Cold War order did not produce a grander freedom of prime of economic policy route for the countries of the Third World particularly Zimbabwe. Southern Africa's governments, the so-called 'new democracies' refabricated in the late 1980s or early 1990s, therefore, haphazardly, obeyed to the IMF/World Bank structural adjustment as the main background for searching for national economic recovery in what *Mkandawire* has described as `choice less democracies' (*Mkandawire* 1996).

Conformist literature also clinched that ESAP botched where it tallied most, it did not clue to sample and continuous increase in speculation. Some observers claimed the fiasco of ESAP in Zimbabwe was the upshot of the incompetence of the government to passably confine and cut-back public disbursement, thereby thronging out private outlay and engendering price rises. Others debate that the fiasco of structural adjustment was predictable because the theory underlying it is deeply inconsistent.

A **1998** IMF appraisal quoted in **Robinson** claimed that the sequencer was off-colour designed from the flinch and that the prerequisite gauge of public sector drops was prospective to put the platform under "great partisan strain." Thus, in a convenient sleight-of-hand, the problem was perhaps too copious government "tenure" of the restructurings, with the World Bank mentioning that modest cutting had converted an end in itself. As an upshot of unexploited macro-economic objectives being overlooked, the IMF and World Bank adjourned distribution of structural adjustment programs credits in 1995.

The IMF prophecy of "inordinate dogmatic tension" verified prophetic. The economic liberalization processes had vivid political repercussions. **Sachikonye** noted that the benefaction base of ZANU-PF withered as liberalization worn-out the scope of the public sector. In the initial junctures of ESAP, the government endorsed the "dogma of indigenization" and used gender thought to reimburse for the loss of patronage incomes and economic decay. These tactics of distraction had unadorned chronological confines however. In the medium-term, the social bearings of ESAP arose to make societal confrontation, which the government wanted to pawn, both by accumulative outlay on the one hand and stimulating malady on the other hand.

Scholars also hypothesises that commencement of 1995, the political assurance to ESAP began to fade as urban hostility straddling. However, weakened patronage resources intended that the major tool accessible to ZANU-PF as it tried to clout was a racially charged populism that required to lay Zimbabwe's economic hitches at the bottoms of its market-dominant white populace. This approach was considered to sea-shore up upkeep in rural citizenries, where ZANU-PF backing had always been stoutest, as well as soothes expanding urban disgruntlement. While the tactic accomplished some grip among peasant populaces, urban citizens did not buy into ZANU-PF's magniloquence that whites were the foremost hindrances to indigenous enablement and amended living ethics.

The breaches in literature reviewed above was jam-packed by this research as it also seeked to uncover actors that where tangled in the adoption of these dogmas and the segments that were ladi-da by the ESAPs and how it promoted or hindered the democratization process of Zimbabwe up to date.

The research also largely came up with recommendations on how best Zimbabwe can deal with the after effects of the ESAPs in as far as the democratization process is concerned, such methods of scrutinizing policies before adopting them are going to be explored in detailed for future reference.

#### **RESEARCH OBJECTIVES**

- 1. To analyse the impact of ESAPs in the democratization of Zimbabwe.
- 2. To identify the key sectors affected by ESAPs.
- 3. To come up with recommendations on future policy adoption.

#### **RESEARCH QUESTION**

1. What was the impact of the Economic Structural Adjustment Programs in the democratization process of Zimbabwe.

#### Limitations

Accessing information and material germane to this research was a contest due to the sensitiveness of the theme. Most organisations were not at freedom to release information; they view it as state secrecy. They were very watchful and wary in releasing information especially on the impact of democracy as they wanted to refrain from passing comments and observations in line with politics. Owing to this, some secluded interviews were steered and material was kept stable and only made useful only to this study. Another restraining feature was time as the research was carried out on a defined time frame. The researcher also well-thought-out ammonising time for conducting interviews as well as time for presentation and preparation for the exams. There was essential need to interview more stake holders and get supplementary information but this could not ensue as most of them were at work or tied up hence the researcher intensive more on the most significant affiliates and members of the key sectors affected.

#### **METHODOLOGY**

#### **Research Design**

The research entailed of to a greater degree comparison of the Zimbabwean situation before 1991 and after the program was stopped and even during the implementation period. Through the use of questionnaires, economic review policies for example the land reform and poverty datum line review, Zimbabwe Vulnerability Assessment Committee (ZIMVAC) report and interviewing experts in the banking sector and policy formulators especially in the public sector mainly on the sectors affected. Pie charts and bie graphs were used for quantitative and qualitative purposes of research to come up the exact figures where ever necessary to provide adequate information. The research also substantiated by commentaries from presidents and economists and various specialists representing various sectors that where affected.

#### **Theoretical framework**

The thesis largely depended on the four main theories of democracy that are participatory, developmental, pluralist and protective. The research also in liaised theories from various sectors including political, psychological and economic. According to Shivji, I (1989) in his book *The pitfalls of the democracy debate,* he defines out the following theories on democracy;

**Protective** theory on democracy deeply depends on liberalism; the protective theory deems government exists to look after the human rights of the human being. Government's contribution in the lives of the general populace ought to be all ears on shielding material prosperity and maintaining a free market. This type of democracy recognize there will be an unevenness in affluence and presume the select few will be in authority. Sophisticated civic commitment is downcast unless it is correlated to defending civil liberties.

**Pluralist theory** ties democracy to control held by unique welfare. Pluralists think that citizens are without prejudice in becoming concerned. Those who are occupied do so through less important political factions. Government headship respite in the hand of the elected and they are in general measured cream of the crop. Exceptional interest groups play a vital role and jockey for influence in areas linked to precise matters and values.

Whereas **Developmental** theory postulates that democracy takes for granted the unsurpassed about the general public. Below this theory, populace is occupied in civic matters and paying attention on what is paramount for the public as a whole. Democracy is linked to morality. As general public become involved in government, they get hold of an understanding and appreciation of what is desirable to perk up services and communities. Engaged citizens are responsible community members. The developmental theory acknowledges the need for voted officials but believes the people are accountable for assortment and failure to notice of their work.

Lastly **Participatory** democracy came into view in the 1960s and centers on retooling government to support more citizen association. During this point in time, student activism was widespread and matters such as the Vietnam War and civil rights offered an avenue for rendezvous. Promoters for participatory government suppose that non-governmental groups such as corporations have too a large amount of influence over the safety of their employees. The key idea of this theory is to supply more taking part and be in charge over all governmental laws and non-governmental policy pertaining to American people.

All the above theories are a foundation and a yard stick for measuring the extent of democratization brought or compromised by the ESAPs. So many theories where put forward in an attempt to understand how Structural Adjustment Programs affected Zimbabwe and their impacts on the democratization process. These theories vary from field to field and their origin for example euro centric scholars arguing that many states benefited largely from these programs where as on the other hand afro centric scholars like *Stan Mudenge (2000)* and *Thabo Mbeki (2002)* in his Book "*Africa redefine yourself*". All these theories ask the question whether the policies where biased to suit the imperialistic agendas of multilateral institutions like the International Monetary Fund (IMF) and the World Bank (WB) or they were badly implemented. *Hans Morganthau* in his *six principles of political realism* postulates that states only interact whenever one or both are benefiting. He further points out that states do not have permanent friends but permanent interests as evidently shown by Britain's zeal to reclaim its colonial hegemony over Zimbabwe hence using such policies like the SAPs to pursue their political agenda.

The research was also solidified by theories and views of political prophets including **Walter Rodney** in his book *"How Europe underdeveloped Africa"* where he fore sees multilateral institutions like IMF and WB as political animals and imperial state in the making in the 21<sup>st</sup> century. All his theories try to explain why the Structural Adjustment Programs failed dismally in Zimbabwe and why specifically third world countries. Further along, the research gave case studies as supporting factors seeking to explain why Zimbabwe specifically failed to implement these policies and outlining a number of policies that Zimbabwe has embarked on as an attempt to counter attach the effects of ESAPs.

Realism and idealism as major theories that explained why Zimbabwe adopted such policies and how best it has tried to redress the socio-economic and political upheavals in relation to democratization up to date.

#### **Collection of data**

Three questionnaires were designed targeted at extracting information from the Government official, the World Bank and IMF representatives who are in this research the perpetrators and the general public who were the victims. The research was largely provided for its evidence by both primary and secondary springs. These were used for jamboreing evidence, accumulating of data, processing of data and presentation of information whenever necessary for it to be so in order to provide straight information and quality signal based research. Primary sources provided first-hand material that were essential for coming up with a well fed presence which will also play an influential role in policy making vis-à-vis to the same issue in future. Primary sources provided appreciated records that are germane in the area that is under study. A questionnaire was a method for sourcing records from individuals affected by the milieu. Interviews with key informers where showed largely targeting political parties' leaders, civil society, and nongovernmental organization at local, district, provincial and national level. For international actors, information was sourced from embassies and representatives of international organizations existing in the country. Where they were not accessible in Zimbabwe the use of other means like fax, telephone or the internet were used. Case study is one procedure which the research betrothed training those organizations and dissections that were affected by the Economic Structural Adjustment Programs.

The research also relied on secondary sources that involved the survey of literature on the subject matter. These included books, interviews from government officials and international and local political and economic forecasters.

Interviews congregated facts about people's dogmas, standpoints, feelings, intentions, past and present behaviours and procedures. Interviews were done with key stoolpigeons; agents and victims of democrazation process by the ESAPs. The researcher administered and conducted interviews by himself

#### **Analysis of data**

Content analysis and textual analysis was used to analyse data in this project. The analysis was also based on grounded theorywere the assignment of the researcher was to understand what was happening before, and what is happening now, how various actors in Zimbabwe have managed to contrivance the after effects of the ESAPs with particular attention to the democratization process. Such was achieved through observation, discussion, interview, review and questioner. After each session of data collection the researcher noted down key issues to be addressed. The first process was comparing interviews and other forms of data and comparison was done to theoretical approaches that will be employed thereafter. The results of this comparison were pigeon holed according to variables consequently.

#### **CONTRIBUTION TO LITERATURE**

The output off the research wasused as a reference point on on information on policy adoption, democratization and its origins in Zimbabwe. Theknowledgewould also benefit various actors including the legislators, key trade and home affairs ministry and the related ministries. It is also pertinent to note that students and the general public will come to understand how democratization came about and in some case compromised, the after effects of the ESAPs in a bid to understand how and why things are happenning they ar e happening now through camparing the situation prior the adoption of the ESAPs and after.

## **DISSERTATION LAYOUT**

#### **INTRODUCTION**

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In the introduction, the whole study summarized with background information on ESAPs, problem of statement, objectives, literature that was used in the research, limitations and shortcomings and the sources of methodology will be displayed. Basically, this is an overview of the research and study.

### <u>CHAPTER 1:</u> THE HISTORICAL BACKGROUND OF THE ECONOMIC STRUCTURAL ADJUSTMENT PROGRAMS IN ZIMBABWE

Focus of the chapter will be on the historical background of the Economic Structural Adjustments Programs in Zimbabwe with particular reverence to the Ministry of Finance, Trade and Labour, Defense, Higher and Tertiary Education from 1991when the program was adopted up to 2010 though it expired in 1995, its effects continue to be felt up to date. The chapter also looked at the environment prior when it comes to the concept of separation of powers, the role of civil society groups and the interaction between the state and civilian community before and during the adoption and implementation of the Economic Structural Adjustments Programs.

### <u>CHAPTER 2:</u> IMPACT OF ECONOMIC STRUCTURAL ADJUSTMENT PROGRAM IN THE DEMOCRATIZATION OF ZIMBABWE

The chapter will interrogate the impact of Economic Structural Adjustments Programs in the democratization of Zimbabwe, how it led to the rise of multi-party system for example the emergency of the MDC as a labor movement and the reaction of the government to civil society organizations. Various ministries will be looked at which include the ministry of trade, finance, higher and tertiary education and other sectors that where affected. Political, social and economic effects will be addressed in relation with the democratization. The chapter will also interrogate the extent to which democratization was met and to a certain degree how it was compromised up to 1995 when it ended up to date.

## <u>CHAPTER 3</u>: THE FUTURE OF ESAPs AND DEMOCRATIZATION IN ZIMBABWE

This section will look on how Zimbabwe can deal with the after effects of ESAPs in relation to democracy. The chapter will also give recommendations on future policy adoption and will further give a foresight on the direction of democratization in Zimbabwe.

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#### **CHAPTER 1**

#### THE HISTORICAL BACKGROUND OF THE ECONOMIC STRUCTURAL ADJUSTMENT PROGRAMS IN ZIMBABWE

#### **1.0 Introduction**

This Chapter seeks to unveil how ESAPs developed by taking scholars through various phases prior the final adoption of the policy. Zimbabwe's Economic Structural Adjustment Programme (ESAP) had multiple effects that it had on the survival of many African states enjoying their premature independence. Most academic grounded research has been premised on the view that the programme only strained the economic welfare of the land. This chapter is a departure from that communally embraced view. Instead, it seeks to focus on how the structural adjustments laid foundations for the democratization of Zimbabwe. This chapter deeply substantiates how ESAP had a double-fold impact on the politics and economy of the land. The main thrust of the asserted position being the contours that mapped Zimbabwe's political environment. To be precise, this section focuses on the democratic process that was catalyzed by public participation which became a stimulus to the brutal whip of ESAP. On the other hand civic groups offered a new twist to that political engagement which unconsciously came to life as a result of the mechanic adjustments to the economy. These also accelerated the "adjustment" gear in the thinking frame of what it meant to be democratic and pressuring the manifestation of the process of being democratic. The major submission of this section of the study is an insight on the elastic role of ESAP not only as an economic reconstructing tool, though questionable but as a necessary-evil for post-independent Zimbabwe. This is because it coercively braced the general citizen a participatory prerogative to interrogate the political happenings of the day and the imperative governance questions of the day.

To begin with, the chapter gives a historic background of the rise of the ESAP. It traces its origins in Zimbabwe, its effects on the livelihood of Zimbabweans and how it mobilised their engagement on political issues of the land. Civic political engagement is here evaluated by the rise of trade unions and other civic rights institutions which include consumer councils, student unions to name a few.

#### 1.1 History of Economic Structural Adjustment Programs

First of all before attempting to assess the effects the Economic Structural Adjustment Programme (ESAP) in Zimbabwe and how it's coming was an indication of the state's collapse. To understand this one has to illustrate the economic structure of Zimbabwe soon after independence until the adoption of ESAP. Since 1980, Zimbabwe had four successive socio-economic policy phases. The first period was between 1980 and 1982 which was characterised by prosperity. During the period there were state financed welfare systems and an uneven capital distribution since the means of production and commerce were still under white control. The new government maintained good relations with the sources of capital who were the owners of industry as well (White dominated commerce and industry). The industry managed to provide adequate employment for a majority of the country's population. The economic living standards of the working class were somewhere close to average if not enough for the working citizens.

1982 until 1986 was the second phase of independent Zimbabwe's political-economy paradigm. During this period there were recessions (the first quite severe), a possible cause for this was the government's early call for the withdrawal of some fractions of White owned land and its land repossession policy through the Communal Lands Act of 1982 which shifted authority over these lands from traditional rulers to local authorities and changed the designation from Tribal Trust Lands into Communal Areas. Later on in 1985 the Zimbabwean Government imposed another legislation that was to fulfill the terms that were agreed upon at the Lancaster conference during the negotiations for Zimbabwean independence in 1979. In the midst of the recession wage expenditures were constantly maintained. This suffocated the economic position of the state. There was more expenditure on labour costs than there was returns for the injected capital.

The third phase was from 1986 to 1990, it signaled some traits of the revival of economic growth. This was a result of the redistribution policy at that time political unity between ZANU-PF and ZAPU had come to life. This followed the economic droppings that were caused by the country's internal conflict (Gukurahundi) which had caused severe infrastructural collapse.

The fourth phase was that of the structural adjustment program which began in 1990 and ended around 1995 thereabout. Accompanying it was a severe drought and an economic recession. This is the main reason which influenced the abandonment of distributivism which the government had embarked in 1980, as an attempt to promote the country's economic revival. To facilitate an

adequate comprehension of this case study there is need to break down the sequence of events from the roots of the Economic Structural Adjustment progamme (ESAP) until the total economic meltdown. After such an analytical account it is possible to then identify the administrative pitfalls that eventually led to the collapse of the country.

#### Environment prior the adoption of ESAPs: Zimbabwe and ESAP from 1985-1990

In 1985, the Zimbabwean government issued a Five Year Development Plan. The plan was to survive between 1986 and 1990. This scheme was designed to ensure nationalisation of various branches of the economy, especially the agrarian sector resulting in the resettlement of 50,000 families on patches of commercial farmland previously owned by Whites. This plan was Zimbabwe's first intense land nationalisation programme soon after independence. A statutory provision for the exercise was also put in place in an amplified manner in 1985 through a parliamentary provision (Communal Lands Act of 1982). The main aim of this edit was to purely decolonise the land ownership from White minority to the Black majority. In theory, the aim was to counter attack the manifestations of the country's deficient craft literacy (Moyo, J 1993).

There was a GDP fall ranging from 19.8 to 1 11.9 per cent since 1982 until 1985. This led to the decline of forex earnings in the country, as a result the Five Year Development Plan that was meant to combat this crisis. Another key aim of the plan was to clip the wings of White-domination in commerce. This is because after independence organisations like the Confederation of Zimbabwean Industry (CZI) continued to act as antagonistic forerunners of Zimbabwe's political-economy.

In introducing this policy in 1985, the Zimbabwean government unveiled the export financing and promotion scheme. The strategy behind this was to enable an in-flow of foreign currency into the country through various industries namely the mining, agriculture and manufacturing sector.

Earlier on Zimbabwe had become a member of the World Bank and the IMF shortly after independence. These finance organisations were fund sources for this commercial lending system that the government had introduced. The World Bank had offered foreign currency worth ZWD 70 million (approximated value). However due to reasons unaccounted for, this capital did not become sustainable as expected. Previously, Zimbabwe had faced budgetary

hiccups in 1983, hence obliged to acquire an eighteen month Standby Credit from the IMF, worth ZWD 375 million. As a term of compliance Zimbabwe agreed to stop channeling funds to development programmes and subsidies. In early 1984 the Standby credit was suspended by the IMF.

However unemployment levels slowly began to materialise and there was a reduction in the foreign currency earnings. The local industries also suffered from inadequate funding as the government subsidies were curtailed. These proposed measures highly negated matters of state welfare, hence economic marginalisation continued.

The poor foreign currency earnings caused Zimbabwe to adopt import substitution methods. The industrial immaturity of the country made the import substitutes irrelevant in addressing the question of demand and supply. While this was happening the corrosive phase of the Africans population's living standards continued to widen. This made the ruling government's position to be questionable as Zimbabwe was going through such a situation. This puts the institutional frameworks of development by the state then into serious interrogation. However, apart from that Zimbabwe other countries like Zambia also went through the same page of economic downgrading influenced by both internal and external forces. With the persisting economic decline by 1989, the Zimbabwean government was left with no other option except to adopt the principles of ESAP.

#### **1.3 Political culture before ESAP**

The political culture of the country after independence as so conservative in nature with the majority wanting preserve the status quo. Soon after independence the government of Zimbabwe introduced measures to help poor Zimbabweans enhance their lives through various support schemes such as free primary education which resulted in an increase in literacy level, introduction of subsidies on basic products which made basic goods to more affordable to the overall populace, endowment of bankrolled inputs to communal farmers to enhance food production which were clapped by the general populace. The government policies after independence favored the majority Zimbabweans which increased the historic bond between the government and its citizens. Although they were some shortcomings such as tribal conflicts that culminated into the Matabeleland disturbances of the early 80s, the people were satisfactorily content with their government and rallied behind their charismatic leader R. G Mugabe. The

signing of the unity accord in 1987 saw the strengthening of the brotherhood amongst Zimbabweans although there was some sort of discontentment amongst other political figures who were against the move towards one party state as was wanted by the president of the republic. The general belief then was a culture of unity as was shown by the leaders of the two political parties in the country.

The implementation of the so called Frameworks of Economic Forum (ECF) that were supported by the Economic Structural Adjustment Programme in 1991 the political situation in the country began to change due to obvious reason that a hungry man is an angry man as ESAP failed to bear any fruits to the economy. ESAP emphasized on government's reduced expenditure hence removal of subsidies that were in place, privatization of some public companies, the introduction of user fees for education and health meaning that the poor population could afford education and health as they do not have money that was needed to get the obligatory services. All these hardships were worsened by the in elevation inflation, rising cost of living, reduction in commonplace salaries, high levels of poverty which stemmed in the widespread disapproval with the government in reign. It is widely agreed that at this time the culpability line began to ripen within the ruling party that was ZANU PF. Cynicism amongst the general populace exclusively in urban areas led to the formation of a very strong opposition political party in the name of the MDC. At this juncture the wave of change was rapidly entering the political scene of the country at a speed that was never witnessed on the land. The opposition party occurred from a resilient movements supported by the working class, women's groups, trade unions and unemployed youth to challenge the ZANU PF government for the first time since independence.

The expansions of the revolution that fetched independence began to be ignored as ESAP had brought the suffering of the same magnitude to that of pre-colonial Zimbabwe. The war veterans were said to be the most disadvantaged group since they were not formally employed and trade liberalization worsened their situation leading to the demands of allowances which they were given hence worsening the economic and social upheavals. Increased discontent, inflation, price hikes led to the reaction of introducing price controls which created an environment ripe for corruption and black market. This era marked the turn of events in the Zimbabwe's political environment, the emergence of the opposition in form of the MDC that gained a substantive number of seats in parliament shocked the government. Economic decline led to widespread discontent with the government in power. The culture of acceptance that had been foremost had been replaced by a deep-seated approach that was aimed at removing the government from power. Zimbabwean economy was left on the brim of breakdown because of ESAP which turned the political environment into a hot-blooded one.

#### 1.4 The implementation of ESAP: Key actors in the adoption

The commencement of the structural program in 1990 called for a major easing of price controls and the introduction of a laissez faire type of collective bargaining. Such a move ushered the elimination of statutory wage regulation except for agricultural and domestic workers. Collective bargaining was still to be regulated through the Ministry of Labour, but since 1985 holding strikes remained a state taboo as enshrined in the labour statutes that time.

The Structural adjustment also compelled the government to terminate its expenditure on social services and focus on investment channels in key sectors such as agriculture, mining and manufacturing and this very same process was not successful. Subsidies to parastatals were totally cut-off and cost-recovery measures were put into place. Unlike in the early years of independence, primary school tuition fees were no longer a government liability. Subsidies on health services were also blocked. Furthering this policy was the reduction of the budget, reducing the size of the civil service became the immediate way of this process. The highly affected were the non-education civil servants. The Western economic domination that independent Zimbabwe went through resembles how much ZANU-PF lost its significance in addressing the economic woes that befell its citizens.

The government also announced that it would banish state incentives on export promotion which were to be replaced by the import control system. This was facilitated through a tariff declaration on imports. The government introduced an Open General (Import) License (OGL) so as to create an import regulation system. The government continued to divorce from its price regulation role and now the civilians became victims of the economic woes brought by such policies.

It is also pertinent to note that the unions like the Zimbabwe Congress of Trade Unions enjoyed good relations with the state prior the adoption of the Economic Structural Adjustment Programs.

However relations where soured after the failure of the program and the union saw an opportunity to rise into power from the situation as people were disgruntled.

#### **1.5 CONCLUSSION**

Most notably it conclusion it is clear that in the mentioned phases that the government took before adopting the program, no public consultation was made hence marking the first step of "compromised democracy". According to *The Zimbabwe Opening National SAPRI Forum Report (1999)* the government of Zimbabwe has its own share of blame for neglecting the citizens in the formulation of the policy. Citizen participation as a decisive tenet of representative democracy was ignored during the implementation of the economic policies. In fact, the participants in this forum elucidated two types of participation: the first one was referred to as "consultancy", in which those entrusted with the responsibility of making policies collect the opinions from the civil society but still capable of acting in their own directions, the second type was termed "true participation". They argued that in true participation the stakeholders are directly involved in the policy or decision making process hitherto to the end. The democratization of Zimbabwe was compromised and tempered with from the initial stages.

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## Chapter 2

# IMPACT OF ECONOMIC STRUCTURAL ADJUSTMENT PROGRAMS IN THE DEMOCRATIZATION OF ZIMBABWE

#### **2.0 Introduction**

The Chapter below will largely answer how the democratization question was affected. The Economic Structural Adjustment Programme was familiarized in Zimbabwe towards the end of the 1980s and early 90s after the economy had showed some signs of decelerating. It was instigated in by the government in 1991 after four years of forceful compromise with the Bretton Woods institutions. The impact will be divided into Political and Socio Economic effects. ESAPs were long been viewed as the root causes of the low economic growth being experienced by the emergent countries. Trade liberalization as supported by ESAPs did not benefit African countries at all but benefits developed nations leading Zimbabweans to ratify a proverb that "predators thrive on preying on other animals". ESAPs in Zimbabwe was followed by the grave socio economic problems such as unemployment, poor living ethics, lessening in human development, increased cases of venality, increased crime rates, misery and downgrading of the country on the international arena. Asian tigers are of the view that only export led growth is advisable in developing countries hence disparaging the reputation of SAPs and the role of western predators in the development of weaker states in the periphery. Trade liberalization affected many African countries as it failed to provide economic growth as intended. Thus it is dismissed as a way in which developed nations from the west strengthen dependence of weaker nations on them so as to continue imperialism in the formula of neo colonialism.

Further along, this chapter in its attempts to elucidate the impacts of Economic Structural Adjustment Programs in the democratization process in the Republic of Zimbabwe, it will look at the following; The socio-economic and political makeup during and after the inauguration of ESAP are in particular the gist of this chapter.

Generally, the objectives of ESAP listed below were requisite in the democratization process in Zimbabwe. It is acceptable facts that creating a favorable socio-economic and political environment will also necessitate a just society with in turn follow democratic principles. By deduction, the aims of ESAP were necessary in the democratization process in Zimbabwe. However, during the implementation stage of the policy the country experienced many problems which negatively affected the democratization process.

#### The ESAPs were intended to:

According to The Economic Adjustment Policy Document (1990:6) ESAP policy was intended to achieve the following: Increase the Gross Domestic Product (GDP) at an annual rate of 6%, Reduce budget deficit from 12% of 1991 to 6% by 1995, Upsurge growth rate by 3.3% in the agricultural sector, Generation of employment, Improve investment from 18% of the pre-ESAP level to 25%, Increase money supply at a rate not exceeding 20% per year, Reforming parastatals through at first commercialization and eventually privatization, Reform the civil service though validation which promotes effectiveness and efficiency, Reduce the wage bill, Introduction of cost recovery in health and education sector while keeping the government expenditure constant to protect the poor, Reform the financial sector, this was expected to cause liberalization of interest rates and to eradicate oligopolistic nature of the banking sector and increase competition.

According to Dye (2002:14), public policies are crucial tools through which the political authorities make their fundamental choices. Regardless of the mishaps in the implementation of the programs, the objectives of SAPs in Zimbabwe were a requisite to the democratization process. According to Mlambo (1992) the inauguration of ESAP has caused the government of Zimbabwe to move from an economy with a network of strict restrictions to a one which is nearly deregulated. In the move to achieve its intended objectives ESAP created a favorable macroeconomic atmosphere for lucrative growth, private sector participation, competition and creative initiatives. Given these positive developments brought about by ESAP it then becomes paradoxical for one to ignore the contributions of ESAP in the democratization process of Zimbabwe.

However, ESAP has its contribution to the slow democratization process in Zimbabwe. Various sectors of the Zimbabwean society were affected differently by SAPs so the researcher is going to explain the extent at which these sectors were affected differently. Basing on that, the researcher hypothesized that since the public sector was the main employer in Zimbabwe, ESAP

due to its ineffectiveness in tackling the problems of Zimbabwe have affected myriad the sectors. More so, the microeconomic efficiency has declined as a result of the decline as a problem of stag factionary effect of ESAP on the Zimbabwean economy.

It Zimbabwe, it came with what are prevalently referred as 3Ds that is democratize, devalue and deregulate. On deregulation the government was supposed to let the industrialists govern the pace of economic development rather than it following the command economy that it was using from independence. This trade liberalization was the real cause of the Zimbabwean crisis of the 1990s as the economy was too young to trail such a policy. On devaluing it was perceived that the power of the dollar which was equivalent to the US dollar at the time was too high and it was scaring investors away as they needed much money to invest in the country. On democratization the government was supposed to open the political field for other political parties in order to enhance democracy in the country. ESAPs also emphasized the reduction in government disbursement and this came at the expense of poor Zimbabweans as the government had to remove subsidies on basic commodities and free education and health policies were also removed. Also lessening in government expenditure led to privatization of parastatals such CBM, CSC, and ZUPCO among others. The effects of ESAPs were very serious to the extent of threatening the regime in power through mass demonstrations that were never experienced on the land. It also led to the emergency of a strong opposition party that threatened the legitimacy of the regime that was in power.

#### **2.1 POLITICAL EFFECTS**

ESAPs heavily impacted the political playing ground in Zimbabwe. All the positive developments which were made since independence were negatively affected by the inauguration of ESAP. Although ESAP strongly affected the economic sector the political environment was also negatively affected. The introduction of ESAP comes out with a new wave of deprofessionalization and militarization of the once-functioning government bureaucracies.

Physical assaults among other unfair treatment of civil servants by government officials were reported during ESAP.

#### 2.1.1Political effects of ESAP and their impact on democratization process

Some analysts in the field of Zimbabwe's political situation contend that Zimbabwe's current politico-economic problems are strongly rooted from the issue of land distribution. However, according to McGregor (2001:346) there are greater verisimilitudes that the problems engulfing Zimbabwe today are a combination of the two factors: the Economic Structural Adjustment Programs and the non-existence of competitive electoral system in the country. Economic Structural Adjustment Program (ESAP) was introduced in Zimbabwe in the year 1991. Besides the fact that the program ended in the year 1995 its effects are still prevailing in all sectors of the economy. The socio-politico-economic down fall experienced in the time of ESAP had transformed the policy making setting from socio-economic welfare setting to a more interventionism and survival landscape. The ZANU PF led government was and is struggling to protect itself from MDC rather than offering equitable service delivery to the citizens. Economic liberalization measures which were put forth by ESAP have exacerbated a great political strain with myriad political implications. According to Sachikonye (1996), the government of Zimbabwe developed the ideology of indigenization in a short period of time after ESAP inaugurated. More so, according to Ranchord-Nilsson (1998) and Taylor (1999) the gender ideology was manipulated by ZANU PF to balance for the eroding of support and economic downfall. During the ESAP period the socio-economic factors have caused government community confrontation. The government was expected to counter these problems, however in doing so two choices were to be faced to increase expenditure or instigate chaos on the other hand.

Two problems caused by ESAP are still living today in the Zimbabwean political playing ground. Firstly, ESAP allowed the then ruling party (ZANU PF) to consolidate its power. However the power consolidated during that period is far from democratizing ZANU PF both as a political party in general as well as ruling party in particular. Secondly, the creation of wealth by politicians and business man has necessitated an economic gulf among ruling elites and their

supporters especially the so called the war veterans. In other words, the implementation of ESAP in unsuitable environment laid a foundation for the calamities existed thereafter.

However, although ESAP had negatively affected the manufacturing industry, there were some noticeable developments in the field of commercial agriculture. Nevertheless, the whites were the only ones who dominated commercial agriculture. This created a tension between the negatively affected blacks and the white minority along racial lines. President Mugabe is said to have manipulated the situation to gain political mileage. Peasants were then depending on the government for food handouts, a scenario which increased ZANU PF support. For one to access these handouts a ZANU PF membership card was a requisite and this made it automatically uneasy for MDC to consolidate power and ensure electoral victory, Dashwood (1996).

However, the government in the following years faced a direct threat from the so called war veterans, regiment of them resided in rural areas. This left President Mugabe with no option but to resort to the strategy of intimidation and land invasions. This move negatively impacted on the democratic process by violating the Freedom from Deprivation of Property set forth in the Lancaster House constitution of 1979. Nonetheless, according to Moore (2001), the urban unemployed populace was on the forefront of these invasions paid by the army and used as the army reserves. This triggered conflicts in rural areas and deflected a potential source of conflict in urban areas. The strategy of ZANU PF of resorting to conflict had transferred the conflict zones from the urban to rural Zimbabwe of which the rural were its strongholds. This scenario has causes a violent and economically unstable society, which also caused many to abandon the revolutionary party. Confronted by diminished rural support ZANU PF had to work together with War veterans, to fulfill that intention, the government was to create a strong military leadership. According to McGregor (2001:346), regardless of the domestic economic downfall, the ZANU PF government created new alternative opportunities for support through its involvement in the Democratic Republic of Congo war using violence as the mode of accretion. This move created the avenues for economic deterioration, industrial downfall, inflation and reductions in remittance in urban areas of Zimbabwe.

The third decade (2000-2010) was generally dominated by socio-politico-economic meltdown and by the year 2008 the situation intensified. The subsequent elections were characterized by serious cases of violence with March 29 of 2008 harmonized elections and June 27 Presidential Run Off as examples. The use of violence was also a breach of the Lancaster House Constitution as it provides for freedom from torture and inhuman treatment. This period also experienced carrying out the Fast Track Land Reform Program. This process found many critiques both internally and outside Zimbabwe, being regarded as the political stance for survival. More so, in 2005 the government embarked on the strongly criticized program called Operation Murambatsvina. All unregistered urban settlements were subject to demolition under this program. These factors brought into being a tense political environment which prompted the imposition of regressive policies and restrictive laws. In particular, the Public Order and Security Act (POSA) and Access to Information and Protection of Privacy Act (AIPPA) were put in place in the country during that period. The creation of this tense political mood also prompted the inauguration of other major policy and decisions of the decade which debarred the government from carrying an effective democratization process. One of the elements of democracy is socio-economic wellbeing; hence the economic meltdown meant that as an element it was compromised by the above processes.

With the experience from ESAP the government of Zimbabwe also introduced *The Indigenization and Economic Empowerment Policy*. The gist of the policy is to make Zimbabwean owning 51% of the economic shares in the country (www.mydie.gov.zw).

#### 2.2 Trade Unionism, participation and Formation of political parties

#### 2.2.1 Trade unions

ESAP came up with the suspension of labor regulations and there was an increase in part time employment, the working conditions have also become unfavorable. The effective grievance system was by that time non-existent. Women experienced harassment in the workplace due to the absence of effective laws and the existence of reserved labor force. Women feared to report these cases because they suspected a loss of job thereafter. The unions were forced to democratize. However, the codes of conduct have negatively impacted on unions. The introduction of ESAP resulted in a sour relation between ZCTU and the government of Zimbabwe.

According to report from the *First National SAPRI Forum* of 2-3 September prepared in Harare. The participants of the forum acknowledged that the government of Zimbabwe upon its engagement in its stabilization agreement with the International Monetary Fund it ignored the laws legalizing collective bargaining economic polarization. The wages of the employees were made flexible. However, these legal reforms are in their legal correctness benefiting the employers at the expense of employees. This move increase economic polarization across Zimbabwe.

According to the trade union participants, ESAP made a mistake by disregarding only the formal sector as the only necessity for economic growth in Zimbabwe. The informal sector and the small and medium enterprises were disregarded, but in reality it seems most probable that these sectors generate employment opportunities to a greater degree. Furthermore, through deregulation the employers find it easy to rely on part-time contract workers who do not have job security. The case is like that because temporary workers do not join trade unions. In their reports the participants acknowledged the contribution of these factors to unemployment as well as reduced wages. The decreased wages pull many people into poverty. In as much of SAPS inequalities were created among the workers, peasants and women: a move which goes against the democratization process.

The shot of events near the end of 1997 and initial 1998 perceived the organisation of labor scenes by the **ZCTU** in which workers were assembling to deliberate the politics of the nation. It was then when the call for the realization of a political party to challenge ZANU PF and drive the nation towards democracy was initiated. At first the call was vetoed by sticklers who believed the union must deal with staples innocently economic and not abide into politics. When the crises continued to deepen the demands for a party also deepens and the only option that was left to the hardliners was to bore down to the loads of those who wanted a political party to contest ZANU PF to smudge the last segment of ESAP's democratisation of the country's political space. The situation was getting serious more than those which toppled Kaunda and Banda in Zambia and Malawi respectively. From the experience of these two countries it can be valid to argue that the saps played an important role in the democratisation of the African

political space. The president was a loyalist of the British then but these events made him to make a U-turn so that he could get support of the war veterans.

From independence Zimbabweans required the government to re-distribute land to the landless population in which it was reluctant to do simply because of the willing buyer willing seller clause that was in the Lancaster house constitution and the fact that the president was an ally of the British government then hence land grabbing would sour the relations that was existent between the two countries. However this time around the attack on the worst and land relocation was the only way in which the government would recuperate its fortunes and regain its support that was dwindling then. The issue was spearheaded by the fact that the British government declined to fulfill its pledge to fund the land reform programme in Zimbabwe. With this the government spearheaded the chaotic land redistribution to the landless primarily targeting white commercial farmers who owned much of the land at the time. The president wanted to regain the lost support of the war veterans and this group was allowed to spearhead the land reform programme in the year 2000 which it did. First the government tried to legalize the act by drafting a new constitution known as the Kariba draft that was out rightly dismissed by the no vote of the opposition as this group claimed that the document was unconstitutional and that it gave the president too many powers at the expense of the general population. This was the first time in which ZANU PF had lost an election related event since independence. The way in which the opposition had gained support in a short space of time was worrisome to the regime in power. The defeat of ZANU PF by the MDC in that referendum was a clear indication that the country was realizing the waves of democracy.

Soon after independence, the labor movement was so weak to the extent that a few demonstrations that they organized were easily thwarted by the country's security forces. The trade unions had no autonomy and were prohibited by the government ion the public sector. However the turn of the 1990s witnessed the increased autonomy of these movements under the new leadership in particular of secretary general Morgan Tsvangirai who later became president of the party and the union president Wilson Sibanda. The increased autonomy of the labor movement witnessed the new wave of democratisation process in the country in Zimbabwe that saw the emergence of the movement for democratic change which was strong to challenge the ruling party. The movement managed to turn the country that almost fell under one party rule

after the merging of ZAPU and ZANU to form ZANU PF in 1987. *The opposition party that was only in existence for a year in 2000 managed to win 57 seats in parliament against ZANUPF's 62 in its first election hence turning the country into a real democracy that was challenging.* All this developments came after the adoption of ESAP by the government in 1991. The 2000 parliamentary elections coupled with the referendum defeat shocked the government which responded by the land reform programme and the subsequent dismissal of Chief Justice Gubbay who was against the land reform to be replaced by Godfrey Chidyausiku.

The land reform was so violent that it seriously disrupted the conditions of democratization that was set by the labor movement. The results were the passing of **ZIDERA** by the US congress that marked the imposition of sanctions against Zimbabwe by western countries. This was followed by the suspension of Zimbabwe from the commonwealth of nations and also threats to suspend the country from the United Nations organization which was totally rebuked by African leaders notably South Africa, Nigeria, Namibia among other world countries such as China, Russia and Cuba. The land reform was aimed at retrieval lost support of the electorate and the war veterans which the government needed as presidential elections were looming in less than two years which it managed. The turn of the year 2000 also witnessed the decreeing of laws that were meant to shield the regime in power.

#### 2.2.2 Participation of Civilians and Students

ESAP had an adverse effect on the Zimbabwean political landscape that was dominated by ZANU PF before then. Demonstrations and mass protest became the order of the day due to inflation and the emergence of civil society that was advocating for demonstrations against the regime in power. By 1993 barely 2 years after the implementation of ESAP the first famous riot popularly known as 'the bread boycott' was witnessed as a result of high bread prices that were ignited by the removal of subsidies and the government's removal of price control measures. The era marked the wave of democracy in the country that posed a new challenge to the ruling party. The riots that saw women and students becoming more involved was ruthlessly thwarted by the country's security forces. The era many Zimbabweans turning against their government that was weak then due to bankruptcy, the government continued to borrow hence increasing the country's debt obligation. Almost everyone in the country was now no longer have faith in the government in power especially in urban areas which were subjugated by the students, women's

groups and radical trade unions which were gaining the autonomy which they were insisting for since independence.

August 1996 saw the first major national government strike of its kind in which all civil servants and public sector employees demonstrated against the government although the strike was initiated by doctors and nurses. It was a direct call on government to rethink and revise its stance on economy as the wave of uprisings against it was worsening. At first the strike was purely economic but as it continued it political with activists demanding the government to reduce its great cabinet as a way of reducing executive expenditure. The strikes were organized by trade unions and the so called committee of with leaflets moved from one workplace to another hence increasing membership and magnitude of the strike. The demand to reduce cabinet was the first of its kind by civilians in independent Zimbabwe showing that the people were now knowing their rights and obligations hence ensconcing democratic principles.

By the mid 1997 the working class strikes were joined by students who linked with lobbyists in the capital city of Harare. Such a strike had never happened in the country after independence; it reminded the government of the colonial era in which the war of liberation started with strikes. The whole country was turning against the government, the rural population that had been loyal also joined the demonstrations by invading farms an indication that they were not convinced by the way land was circulated after independence and that invasion of farms incited government to react. The location was turning unpredictable and it was clear to ZANU PF that at this time the formation of a working class backed political party was imminent and that the party would get the support of the students, working class and the unemployed youth at the time as they say a hungry man is an angry man.

Most of the war veterans had been marginalized after independence and were unemployed; the upheavals of ESAP affected them seriously. They also joined the demonstrations giving a stern challenge to the president who responded by introducing the war veterans tax that was meant to fund these people who fought in the liberation war of the country. The war veterans are undoubtedly the most powerful group in the Zimbabwean society as they have the power to denounce the government because of their enormous participation in government. It is also reported that they even denounced the president at a heroes commemoration event of that year. **ZINASU** was also vocal in the involvement of students in these parades making every group in

Zimbabwean society to be involved in the protests against government. Rallies are only usual in a democratic system meaning an indication that the Zimbabwean political landscape was democratizing as per the injunctions of ESAP. The situation that was now in Zimbabwe was the same as what happened in Zambia 7 years back as the Zambian Congress of Trade Unions formed a party known as movement for multiparty democracy that edgy the revolutionary party led by Kenneth Kaunda in 1991. MMD in Zambia was led by the former secretary general of the ZCTU Fredrick Chiluba just as the case in Zimbabwe and Chiluba defeated the sunset party from power just the same as Tsvangirai wanted to do in Zimbabwe. *At this time it was crystal clear that the wave of democratic change once experienced in Zambia were now in Zimbabwe and the fact that all were a outcome of ESAP did not go down well with the Zimbabwean government. The situation, demonstrations and riots in Zimbabwe were more serious than those that toppled the Zambian government hence frightening the government.* 

The other 'D' of ESAP was now being realized, 'democratize' as the wave of democratization was upon Zimbabwe. The upheavals created by ESAP led to democratization of Zimbabwean political space. The situation in Zimbabwe was now more like a revolution as people needed a gradual change in social, political and economic spheres of the country. The prevailing situation at the time was worsened when the government bearing the pressure from the war veterans association went on to pay a huge sum of money to this powerful group as compensation in the late1990s. The fact that this money was not budgeted for worsened the economic crisis of the country.

As if that was not enough the government also joined the war in the Democratic Republic of Congo in 1998 which was again costly to the economy. Maintenance and upkeep of soldiers abroad is costly and it was estimated that the daily disbursement was around *US \$1 million* which a harassed economy like that of Zimbabwe then could not afford. The first event was marked by was then termed the *black Friday* in which the Zimbabwean dollar lost its value by an estimated 99% against the US dollar. Such a setting worsened the relationship between the government and citizens who were now supporting the opposition. The joining of the DRC war was deemed un necessary as the government of Zimbabwe did not benefit anything from this involvement and analyst argue that the DRC government went on to indenture South African companies after the finale of the war.

#### 2.2.3 The emergence of pro state unionism

The period between 1984 to 1995 witnessed the riven of the labor unions into two groups; the one that was proffering allegiance to the state and ZANU PF and the second one demanding autonomy as the state had too much control over them. At the time the labour movement was very weak to the extent of failing to do anything serious to force government into an action. Most of the leaders were loyalist of the state and the ruling party. Members of the public service were not allowed to join these organizations which culminated in the call for the increased autonomy of the trade unions. The merging of these unions into the Zimbabwe congress of trade unions resulted in the increase in autonomy and relevance of the trade unions in the country. Organizations like the Zimbabwe Congress Of Students Union (ZICOSU) that were pro the state were formed to counter attack the activities of opposition at tertiary institutions and were funded by the state and ZANU PF.

#### 2.2.4 Operations and laws employed by government

The increasing demand of land by the general populace who were not convinced with the way the land redistribution programme was carried out led the government to indorse the land acquisition act of 1999. The act gave the president power to create the resettlement areas aimed at giving land to the landless Zimbabweans who were clamoring for it. However the move did not yield any results as the many rural people still had no land and were living in the reserves of colonial era. The increased participation of trade unions in the working in the early 90s so the governments enacting the labor relations act of 1992 in which the autonomy of the unions was restricted. This was a way of curbing the riots and demonstrations that were being spearheaded by these movements against the government and the increasing rate of retrenchments. Again the late 1990s saw the emergency of the war veterans' tax that was meant to compensate the excombatants for their contribution tom the country's independence and this came into being when the war veterans were compelling government to recognize them as they were feeling the upheavals of ESAP.

The year 2000 saw the gigantic land reform programme spearheaded by the war veterans to help and resuscitate the fortunes of government in an environment that was being dominated by the opposition party. The exercise was at first illegal as it had no legal framework to support it. It was carried out under the popular slogan, 'the land is economy, economy is land' which was welcomed by the entire rural populace and the war veterans. The trade unions, the MDC and ZFU were against this move by government as they thought was not good for the country. The year 2001 saw the enacting of the rural land occupiers (protection from eviction) act which was meant to protect those had occupied land from white farmers in rural areas. The act was meant also add to the available legislation that was supporting the land reform programme. It was formulated by a ZANU PF dominated legislature in 2001. Although undemocratic some of these moves were meant to save the ruling party from collapse which it achieved. The land reform was carried out in a violent manner to the extent that it was condemned on the international system.

The amplified ascendency of the opposition especially in the urban areas coupled with increased cases of demonstrations against government led the government to enact the Public Order and Security Act in 2002. The law was meant to reduce the activities of the opposition party and the actions of anti-state civil society organizations. It stated that no gathering of 5 people or more was allowed without the approval of the responsible authority. This act serious affected the MDC and trade unions who were organizing demonstrations against the government, at this stage no demonstrations were allowed as long as they were not supported by either the police or court of law. The opposition rallies were prohibited by this piece of legislation as long as they were not approved by the police. The law was a direct threat to the freedom of association right and an enemy of democratic movements. The same year 2002 saw the enacting of another repressive law known as the Access to Information and Protection of Privacy Act which was meant to ban all electronic and print media that were against the state. Foreign media houses and reporting in Zimbabwe was strictly prohibited by this piece of legislation, it was followed by the banning of the daily news in 2002. This meant that the opposition party could now rely on the state controlled media that was biased towards ZANU PF and it always say the negatives about the opposition which was again another drawback to democratic transition. At this time the state was devising any means possible to enhance the passing of its message to the people. The national airwayes that is both the radio stations and television was dominated by the state [propaganda that was aimed at giving support to the ruling party and denouncing the opposition party. This initiative helped as the ruling party went on to win the presidential election in 2002 although the MDC claimed that the election was rigged.

#### 2.2.5 The reaction of the state

According to scholars like Zhou, G (2012), he argues that the passing of POSA and AIPPA among other laws led to the banning of certain media houses and foreign reporters in the country for the benefit of the ruling party. POSA also saw the detention of anti-state activist and opposition political leaders such as Tsvangirai. Opposition gatherings were ruthlessly dismissed by state security forces because of POSA. Tsvangirai was detained on several occasions for many reasons that included the need to overthrow the government by force. In 2003 he was detained for planning a coup against the government a claim that that was not substantiated in courts. Strikes and mass action were prohibited by these legislations. By enacting repressive laws government managed to contain the dominance of the opposition party and demonstrators which brought some order to the land. In 2002 the MDC demonstrations were ruthlessly dismissed by the state security forces an indication that the government was in control.

#### **2.3 SOCIO-ECONOMIC EFFECTS**

Soon after independence Zimbabwe had followed a command economy in which import swaps was encouraged with several controls put on trade. At first the policy was feasible as the economy was growing progressively however at the turn of 1980s some problems such as ineffectiveness in industries, disappearance of foreign currency reserves, and low industrial efficiency among others were witnessed. With the risk of economic swamp imminent the government was converted to accept market reforms so as to guarantee the flow of foreign currency into the country. It took four years of deep considerations between the government of Zimbabwe and the Bretton Woods Institutions to reach an agreement marking the adoption of the Economic Structural Adjustment Programme in 1991. According to the government of Zimbabwe (1991) the main objective of ESAPs was to achieve 'trade liberalization including the abolition of quantitative controls and the reduction and harmonization of tariffs and duties.'-[Moses Tekere 2001].

The main notions of ESAPs were the removal of export incentives, elimination of barriers on imports, removal of foreign currency control system in actuality and the attainment of a growth rate of 8.9% per annual in 5 years from the year of inauguration among others. The initial signs of ESAPs saw the devaluation of the Zimbabwean dollar that occasioned in the negative balance

of payments in that old-fashioned. The drought of the early 1990s affected trade seriously hence impoverishing Zimbabweans. In 1994 the government implemented the Export Processing Zone (EPZs) which was the programme predestined to embrace export incentives so as to promote export oriented production and economic development. This programme was a dismal failure due to lack of departmental coordination, reversal of policies, lack of government commitment and hardships that were faced by local firms. EPZ was replaced by ZIMPREST meaning the programme did last to its full capacity bringing in the issue of policy reversals and inconsistency on the part of government. Economic growth before the inception of SAPs in 1991 was better than during the SAPs era with analysts pegging growth from 1980 to 1991 at around 6% while the period between 1991 to 1998 was at 2,5% far below the estimated growth of this plan.

#### 2.3.1 The mining sector

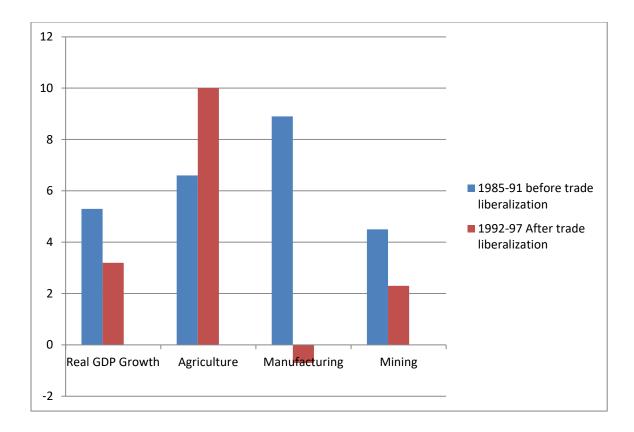
Since independence the government of Zimbabwe had pegged the mining sector as the avenues for future development of the country as the country is very much rich in minerals but the introduction of ESAP crushed this dream. Trade liberalization would have improved the foreign currency flow and give Zimbabwe access to suppliers of mining equipment but that was not the case. The major destination of Zimbabwean minerals which is the South East Asia was hit by economic crisis in the late 1990s and that attached with high interest by providers of mining hardware led to poor performance of the sector deteriorated by fluctuating mineral prices on the world market. In 1998 saw the shutting of the Hartley platinum plant due to feasibility challenges which in turn affected the employment set up in the area around Chegutu. Zimbabwe was seriously affected as the government was planning a mining driven economic development just as Botswana did. Depression in the world prices also affected the production of gold, asbestos and other important minerals which were key to Zimbabwean economy. Such viability challenges in the mining sector saw the retrenchment implementation and ensuing suffering of the general populace. This again led to the escalating of the small scale mining principally in gold panning which also resulted in school drop outs across the country. This set up so the occurrence of middlemen who exploited panners who had no access to markets. The Zimbabwean population unrelenting to grieve leading to the progress and plateauing of the informal segment.

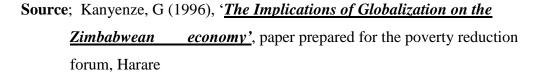
#### 2.3.2 The manufacturing sector

Since Zimbabwe trailed the command economy after independence the manufacturing division was protected but the introduction of ESAP hugely affected the sector as it resulted in the massive de-industrialization that saw many people losing their jobs. Weakening in textile industries, wood and furniture, transport among others terminated in the deterioration of the manufacturing sector. Large industries such David Whitehead that employed a significant number of locals deteriorated leading to retrenchments and misery of locals. The elimination of subsidies ( for example cotton lint subsidy 1994), increase in interest rates attached with the loss of charge of the local currency culminated in the decline of the manufacturing sector hence snowballing the adversities of the local populace. People could not afford to send children to school, many relocated from the urban areas to rural, the brain drain from the country to neighboring countries in particular to South Africa among other adverse effects. The situation was deteriorated by the fact that the Zimbabwean economy was too fledgling to contest on the world market. *The plummet of the manufacturing sector left several people jobless and as a result it enlarged the chances of rising against the government of the day which became a common feature of this time.* 

According to Boutros Boutrostion (1996), stated that democratization process must gain support from the indigenous people for it to be successful. *Drawing lines from this statement one can argue that ESAP was in itself undemocratic and then unable to necessitate the democratization process in Zimbabwe due to its ignorance of the populace during the policy formulation and implementation stages. Basing on that, citizen participation as one of the tenets of democracy was distanced away hence ESAP had failed to propel the democratization process.* 

FIG 2.3.3 Trade liberalization and Economic performance





With an illustration of the diagram above, the scholar seeks to argue that the period of ESAP (1991 to 1995), deteriorated the economic base of Zimbabwe. The industrial sector is contemporarily facing many challenges in developing as a result of the poorly structured and implemented ESAP policy. Regiment the industries and innumerable sub-sectors have been enduringly closed in the country. Foreign Direct Investments were also declined over the years. However, according to EIU (2001) the alternative policies presented by the opposition parties in Zimbabwe are more unlikely to restore the economy to its previous state.

Basing on that, it is noticeable that ESAP played a pivotal role in impoverishing the citizens of Zimbabwe hence creating unfavorable avenues for the democratization process. Many theorists in the field of voter participation argued that economic and social factors play a role in determining who votes. In the light of these perspectives it can be concluded that negative developments caused by ESAP have affected citizen participation in politics.

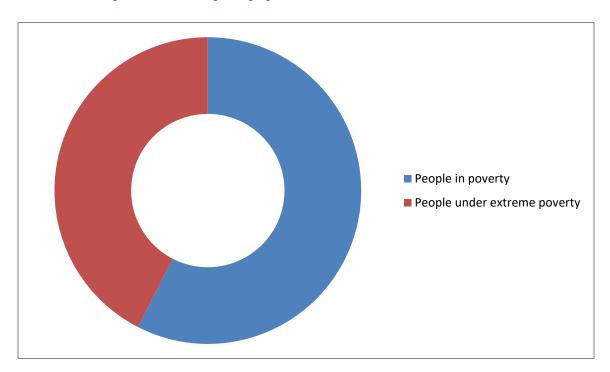


FIG 2.3.4- Composition of the poor populace in Zimbabwe after ESAP

Source; Kanyenze, G (1996), '*The Implications of Globalization on the Zimbabwean economy*', paper prepared for the poverty reduction forum, Harare

#### 2.3.5 Impacts of ESAP on Health care

The educational and health policies of the colonial system share the same environment. This is to say there was marginalization of the blacks in the health system, which is the violation of the Lancaster House constitution clause which enshrines the protection from discrimination. Issues to do with race and social class were incorporated in the health delivery arrangements. Provision of health facilities actually followed racial and class patterns with the rich consuming more and the poor consuming less. According to Agere (1986:359) infant motility rate among the blacks rose to 220 per 1000 while for the whites it was only 17 per 1000. This inequitable allocation of resources in the health system was mostly following unequal distribution of political and economic power among societies. These antics are undoubtedly reduced the pace of

democratization process in Zimbabwe through the blatant ignorance of the right to life of the black.

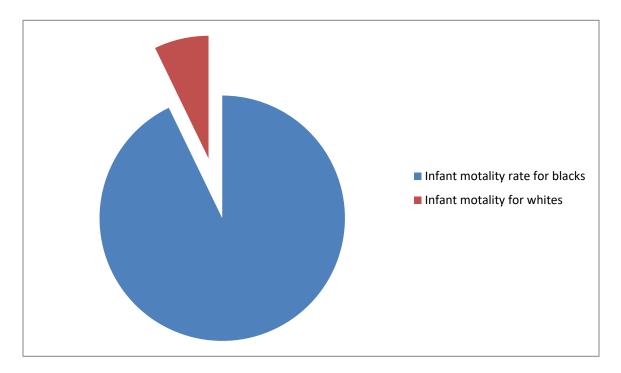
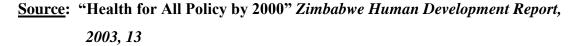


FIG 2.3.6 Infant Mortality among blacks and whites before ESAP



In reaction to these inequalities in the health sector, the Ministry of Health had introduced the Equality in Health Policy. This policy was intended to move health resources from urban to rural areas and adopt a preventive rather than curative health services. During that period more hospitals, health centers and clinics were established both in rural and urban Zimbabwe. The Ministry of Health had set a "Health for All Policy by 2000" (*Zimbabwe Human Development Report, 2003, 13*), a move strongly negatively impacted on by the adoption of ESAP.

The adoption of ESAP caused a decrease in spending on common medical drugs, specialist facilities and treatment extension of preventive health services and other mechanism of effective health care delivery. During that period the government exacerbated the situation by introducing user fees which made it automatically difficult for the poor populace of Zimbabwe to access health services. Due to low income, many doctors' nurses and technicians transferred into the

private sector or other countries in search of greener pastures. In the light of these mishaps in the health sector it can be concluded that ESAP negatively impacted on the democratization process in Zimbabwe.

#### 2.4 Effects of ESAP on Education

In the 1890s the colonial governments from the BSA Company up to the 1965 Rhodesia Front maintained racist educational policies in order to constantly guarantee white supremacy in the region. They introduced separationist educational policies in their fiscal allocations. According to Riddell (1978), from 1976 to 1977 the state allocated Z\$43.2 on African pupil against Z\$475.2 per European pupil and in 1972 to 1973 it was Z\$28.8 and Z\$377.8 respectively.

After independency ZANU PF following its 1980 had created a new education policy. According to ZANU PF Election Manifesto (1980) this policy was intended to : (a) create a system of free primary and secondary education (b) stop sex discrimination in schools (c) provide adult education (d) put education in the category of basic human rights (e) abolish racial divide in the educational system.

This policy was in a move towards democratization of Zimbabwe though bringing into being equality among various entities in the educational sector. However, the inauguration of ESAP in the year 1991 had negatively affected the efforts intended to bring democracy. In Zimbabwe the primary school fees were introduced and in urban areas school fees for secondary students were increased in January 1992. The uncelebrated negative effects of ESAP have contributed to the demise of the celebrated post-independence developments in both primary and secondary education. Actually in the primary sector the average and real per capita spending per individual fell to the minimum levels as compared to the post-independence period (the pre-ESAP period). The decline in the government's investment has undermined the quality of primary and secondary education. The inauguration of user fees has strongly impeded hundreds of thousands of students' access to their right to education. Students from poorer households were strongly affected by the introduction of user fees. The introduction of fee in the educational sector exacerbated the decline in enrollment by 5% in urban primary schools regardless of the increase in the potential school-going age.

In a move to counter the unfavorable impacts of ESAP on the retrenched public workers and poor Zimbabweans the government introduced the Social Development Fund. This scheme was intended to assist the poor by providing them with school fees, health fees and also food money subsidies. However these programs were poorly planned and implemented to the extent that they proved their ineffectiveness to be true.

Since the introduction of ESAP Zimbabwe is in economic crisis. The economy is maintaining its below average performance. Some of the problems such as those which have something to do with balance-of –payment are still present since 1997. It is still difficult for many people in Zimbabwe to utilize the opportunities which are being offered. This is being exacerbated by the failure of ESAP to address irrationalities in the Zimbabwean public sector organizations. This also causes the uneasiness to conduct effective reforms in the public sector of which these reforms are a requisite in the move towards democracy.

It can also not be ignored that there was re writing of literature to glorify ZANU PF and Mugabeism after the failure of the ESAPs. This heavily impacted on the democratization of literature negative. However due to 'hunger', some scholars like Ibho Mandaza shifted goal posts in their literature. They started writing castigating the government as they were now sponsored by the West to earn a living. This however opened a way of balance of literature and to a small extent objectivity. Democratization was therefore met.

#### 2.4.1 Positive contributions of ESAPs in the democratization process

It is clear that ESAP unconstructively affected the political economy of Zimbabwe which in turn negatively affected the democratization process. However, ESAP, though to a lesser extent, has annexed value to the democratization process.

#### **Political participation and Trade improvement**

Indeed, the introduction of an effective ZANU PF contester (Movement for Democratic Change) in the year 1999 is a result of the so-called ESAP. MDC is a brainchild of the workers who were concerned by a continued increase in the percentage of unemployment in the country as well as reduced wages under Economic Adjustment Programs. Due to the prevalence of economic hardships a new militancy was inaugurated. By the late 1980s a new opposition was emerged

from the University of Zimbabwe challenging the radical rightwards shift in government policy. Another force was also prevailing from the trade unions. The Zimbabwe Congress of Trade Unions was in particular become an opponent of the ruling party leaving its symbiotic relations since independence. In fact, the ZCTU was superseded by a more radical one. The following years ZCTU leader Morgan Richard Tsvangirai supported students protest at the University of Zimbabwe.

This period can be defined as important in formation of new generations of radical trade unions. According to Tendai Biti this period saw the first time questioning of the legitimacy of the heroes. For example, the Zimbabwe Congress of Trade Unions inaugurated a counter economic plan well known as "Beyond ESAP". This plan was contradicting with the IMF-sponsored ESAP. After the ZANU Pf arranged land invasions commercial famers became the supporters of the opposition party MDC. The aim of MDC as a political party was to counter economic downfall, violence and corruption which were caused by the government's adoption of ESAP. The conventional wisdom is that these aims of MDC as the opposing party in Zimbabwe are necessary in the democratization process. Furthermore, according to Hofmeister and Grabow (2011) political parties are the pillars of democracy. Drawing lines from this the development of MDC as a result of the failure of government to effectively implement ESAP is of paramount importance in the democratization process in Zimbabwe.

The Economic Adjustment Program had come up with a cut in government expenditure. This move had loosened the controls and necessitated a shift of power from the government to civil society. This was a positive move toward a democratic Zimbabwe. However, the policy fiasco to effectively shift the power due to the economic controls which annexed power to the government Coltat (1992). Coltat went on to say the implementation of ESAP has affected various sectors to democratize. University, land and the courts were prompted to reform by the introduction of ESAP.

Following the tense political playing ground have been created by ESAP, students were introduced in the political field through their representative councils. ZICOSU and ZINASU are some of the Unions created after ESAP with ZICOSU being pro-ZANU PF and ZINASU pro-MDC. Basing on that it can be seen that ESAP played a crucial role in shaping the civil society.

Civil society is of paramount importance for a democratic society to function well, so the role played by ESAP in the building up of it must not be ignore or underestimated.

Trade liberisation also gave local industries an opportunity to produce Standard Internationally recognized goods to survive in the international trade system. These improved their quality for the benefit of the general populace.

#### **2.5 CONCLUSION**

In sight of the economic slowdown that was looming in the country the government of Zimbabwe adopted ESAP after a series of negotiations with the Britton Woods Institutions. The economic structural adjustment programme that was implemented in Zimbabwe in 1991 came with positives towards the democratisation of Zimbabwe's political space. Although such processes came as a result of the suffering of the general population the wave of democratisation was upon the land. In many countries in Africa were these saps were introduced democracy was realized. In Zambia and Malawi in particular revolutionary sunset parties were removed from power as a result of these policies. In Zimbabwe ESAP came with the 3 Ds that is de value, deregulate and democratize. The last D emphasized on democracy meaning the existence of multi-party system, respect of human rights, regular free and fair elections among other tenets. Devaluation resulted in the loss of value of local currency which coupled with death of industry resulting in the birth of demonstrations and new political culture in the country especially in urban areas. Deregulation also meant the increased autonomy of trade unions in carrying out their duties which was essential for the freedom of the working class. These measures resulted in the increased rates of demonstrations, destitutions and unemployment which led to the formation of a working class backed party to challenge ZANU PF.

The country was forced to adopt ESAP because the economy was showing signs of torpor which were not good for the country. The policy was aimed at achieving economic growth of 9% per year for five from the year of its inception which never came into fruition. It resulted in the decay of industries and emergence of a political party that posed a challenge to the ruling party. Such developments were followed by the government enacting repressive laws that were aimed at restoring peace and order on the land and on the other hand clipping the wings of the opposition party hence maintaining the dominance of the ruling party. Although it resulted in the

suffering of the general population the ESAP was key to the democratization of political space in Zimbabwe.

Conclusively, the Foreign Exchange Regulations (FER) officiated price decontrol of goods imported by large cooperates as they entered the OGL, while licensing and zoning regulations were terminated for small-scale enterprises. The FER did not bring any solution to the issue of unemployment, while hyper-inflation was increasing. The work force struggled to make ends meet as they earned a living from inadequate remuneration. Failed management of Market failure became another feature of Zimbabwe's government. Due to subsidies banishment the Grain Marketing Board (GMB) was to close some of its depots affected by low production. As a result by 1992 four depots and 51 crop buying points had been closed, and 57 of the remaining depots were now partially open on annual basis. This threatened food security such that by 1992 Zimbabwe faced a food crisis which intensely affected the vulnerable social groups who were denied access to welfare systems due to the ESAP policy. There was a continued crisis up to now in the distribution of public goods such as health, education so as to meet the cost recovery measures of the time.

The above chronicles substantiates that the West's meddling in economic matters of independent countries like Zimbabwe left a lot of questions about the efficiency of the Organisation of ZANU-PF unanswered. Then there is only one question that will stubbornly echo in the mind of every critical thinker. Where was the government when all this was happening? This crisis thoroughly positioned the masses to mobilize themselves to resist this change. This marked the rise of civic groups that gave affiliation platforms to various classes of the population a sense of political belonging (Freire, P 1972). These were namely the working classes and students. The newly founded civic institutions were also mainly used to express public disgruntle on the political-economy.

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### **CHAPTER 3**

#### **3.0 THE FUTURE OF ESAPS AND DEMOCRATIZATION IN ZIMBABWE**

This chapter seeks to foretell the future of the Zimbabwean political economy in relation to the calamities experienced as a result of the implementation of the Structural Adjustment Programs in the year 1991. During and after the introduction of ESAPs the policy making environment has changed in the negative direction. Since the socio-politico-economic dynamics shapes the policy making environment it becomes possible to predict the future political economy of Zimbabwe basing on these dynamics. Notable preambles of such dynamics include: modification on issues of craft-literacy and craft competence. (Moyo, J 1993) The policy making mentioned here can be categorized into three phases: the first decade, second and the third decade (Highlighted in the previous chapter to explain the evolution of ESAP). In doing so the future becomes predictable so the researcher is going to explain the policies implemented prior to ESAPs so as to divulge the direction of the policy making environment in the future. This is premised on the view that ESAP created new political and economic tools designed to combat its influences. These range from ZIMPREST, Fast track Land reform, Public Order and Security Act (POSA), Access to Information and Protection of Privacy Act (AIPPA), Indigenisation, Zimbabwe Agenda for Sustainable Socio-Economic Transformation. (ZIMASSET)

As such, the chapter articulates how these and other policy frameworks have continued to shape the future of Zimbabwe. Here ESAP is regarded as the first step towards; endorsement of flawed policies, legitimization of civilian exclusion in policy making in Zimbabwe and continuity economic marginalisation. Another essential argument here is how ESAP also gave positive bearings to Zimbabwe's sovereignty in terms of de-linking with the West. Likewise the future of Zimbabwe's economy has begun to give to reflect potential economic alternatives in the midst of the horrific trail of challenges effected by ESAP.

#### 3.1 Policy making- looking at the past, present and its implications on the future.

After Zimbabwe attained independence in 1980 the new government shifted the policy making environment from a minority centric to majority-focused system. Inequalities were present in all spheres of the society like in the educational sector, industrial, banking, agricultural among other sectors. The new government was then faced with no option but to address those inequalities through adopting new policies. In the first decade the Government of Zimbabwe had adopted the Reconciliation Policy. This policy was intended to bring equality among whites and blacks and build sustainable peace among ethnic groups within the country. According to Davies et al (1981:206), reconciliation policy was aiming at bringing into being a country in which there is space for everyone and a sense of security for both the whites and blacks. In the same decade, the government introduced the Growth with Equality Policy. This policy was implemented to create equality among various social groups in the social field within the country through land resettlement programme. In towns the policy was intended to indigenize, impose minimum wage and black affirmative action. Education for All and Health for All are some of the policies which were inaugurated by the government of Zimbabwe. These policies were necessary in the democratization process of Zimbabwe in the first decade. However, the usefulness of these policies was heavily washed away by the policies inaugurated in the second decade, the ESAPs in particular.

The negative impacts of ESAPs in the democratization process highlighted in the previous chapter have orchestrated the unfavorable policy formulation frameworks. In the very decade in which ESAPs were introduced the ZIMPREST programme was also introduced to correct the macro-economic stability, eradicate poverty as well as facilitate private savings and investment. It was from this moment when the policy making environment seems to become in a reactive than pro-active mood.

The third decade of policy formulation in Zimbabwe (2000-2010) was characterized by a series of policy failures. The decade experienced many political and economic hardships especially in the year 2008. It is in this decade where these Acts were passed: the Public Order and Security

Act (POSA) and Access to Information and Protection of Privacy Act (AIPPA) in an attempt to manage the chaotic environment which was necessitated by ESAPs. The land issue had reached its boiling point in this decade which caused many white farmers to leave their commercial farms in Zimbabwe. The indigenization and Economic Empowerment Policy was also introduced in a move to address the problems created by the introduction of ESAP. A Government of National Unity was formed in Zimbabwe in 2009 and the policy making environment was characterized by conflicts of interests among different political parties. Policies to implement inorder to restore economic and political stability were some of the areas of contradictions during the GNU.

#### 3.1.2 Future of policy making.

It is in analyzing the trend of the policy making dynamics in which one can predict the future policy making environment in Zimbabwe. It is clear that in the first decade of independence the government of Zimbabwe had inaugurated many policies which aimed at democratizing the country. After the introduction of ESAPs the policies introduced seem to be undemocratic (for example AIPPA and POSA). From that decade onwards the country is facing difficulties in the policy making and implementation phases. Due to the unavailability of a stable political economy the future policy making environment in Zimbabwe can be predicted to be characterized by mishaps. Moreover this has led to the adoption of the tradition of poor policy making and immature governance models which may overlap into the future.

#### 3.1.3 Flawed policy making

Democratization will remain compromised in as far as the policy making is concerned. The ESAPs were a flawed policy to begin with. It laid a foundation and a culture of poor policy formulation for example the fast track Land Reform which ignored the Lanchaster House agreement on reconciliation. These habits continue to exist up to now where blueprints and policies continue to be adopted without public consultation.

By noting the above, it is of paramount importance that Zimbabwe in future should thoroughly scrutinize every policy before adopting it looking at its short and long time effects on the citizens and on the state itself. Zimbabwe should desist from the culture of adopting policies out of desperation at the expense of its future.

#### 3.1.4 Foreign policy

The Economic Structural Adjustment Programs with their negative impacts on shaping the political economy of Zimbabwe have caused the government to adopt the Look East policy. This shows that in the future Zimbabwe will continue to create symbiotic relations with the eastern countries and abandoning the West. The western countries are against the Mugabe led ZANU PF accusing it of violating human rights but the fact on the ground is that the government of Zimbabwe is failing to finance the democratization process due to economic hardships brought by the inauguration of ESAPs in the second decade of independence. This entails that Zimbabwe will continue to face accusations of human rights violations from the west and the international community. Basing on that it can be argued that EASPs together with its shortcomings have negatively affected the Zimbabwean record at the international stage and will continue to.

However it is important Zimbabwe will not continue to Look East forever. When it reaches economic and political sustainability, the spirit of African renaissance and Pan-Africanism will take its course where Zimbabwe will delink from the Look East Policy hence Mahomva, R (2014) theory of evolution were the scholar argues that Zimbabwe shifted from the West to the East and the last step is to look within as the apex of the evolution.

By analyzing the flow of events political instability is being predicted to characterize Zimbabwe in the future. There are various perspectives by different political parties on how to restore the socio-economic and political stability in Zimbabwe. The struggle to hold power by the ruling party and the struggle to consolidate power by the opposition parties using economic tools will continue to cause a strain on the economy of the country. All the problems caused by the inauguration of ESAPs are still present and far from being resolved which means Zimbabwe will continue facing the economic challenges.

Moreover, the Economic Structural Adjustment Programs have left Zimbabwe in debts which are still present. This means Zimbabwe will continue allocate funds for those debts in the future hence reducing the budget for democratization policies and programs like elections, referendums among other service delivery programs within the country. The country will continue depend on foreign funds in the democratization process which will then make it difficult to effectively carryout all the principles of democracy in time, hence one recommends that Zimbabwe has to adopt the Look Within policy for capacity building where every Zimbabwe should contribute directly to the revival and growth of the Zimbabwean economy.

#### 3.2 Craft literacy and competence deficits

Professor Jonathan Moyo points out that democratization of Zimbabwe will be largely derailed when it comes to policy adoption. The Zimbabwean government has a culture borrowing money without a proper laid down plan on what to use it for. This comes back to the issue of lack of involvement of technocrats in policy formulation. This is likely to continue to affect democratization with an example of the ZIMASSET.

Every country on the international arena tries by all means possible to advance its national interest thus developing countries must do things their own way. In Africa there is need for people centred policies such as land reform, economic empowerment not capitalist centred like those of the Britton Woods Institutions. IMF and World Bank are undoubtedly agents for regime change as was shown in Malawi, Zambia and to some extent in Zimbabwe though the initiative failed to topple the government. The way in which their debts sky rockets is a clear indication of this verdict, they were created to make the poor remain poor and the rich and developed to continue developing. African must unite in all facets of development in order for them to become economic powerhouses in future.

There is also need for "*craft literacy*" as alluded to by Proffessor Jonathan Moyo in his book *Politics of the National Purse*. When Zimbabwe borrows money from any financial institution even from China as a country, technocrats should be involved. It is pertinent also to note that in the recent visit by the President of Zimbabwe to China to seek financial assistance, there was no economist involved. Therefore there is need to correct such to meet democratization.

#### 3.3 Marginalization and personalization of the national resource

The Economic Structural Adjustment Programs have widened the gap between the rich and the poor. This gap is, and will still broaden given the contemporary exploitation of the poor by the haves in the country. In as much of that the democratization process in Zimbabwe will operate at a slow pace. It seems most probable that the poor-rich gap will expand in the near future due to the existing economic environment. This scenario goes against the democratization process in as much of equality is the important feature of democracy. Drawing lines from that it can be concluded that the future of Zimbabwe will be characterized by the existence of undemocratic features due to economic hardships necessitated by the introduction of ESAPs.

Furthermore, Zimbabwe's public sector will continue to face cases corruption due to the organizational makeup crafted to reduce the negative effects caused by ESAPs. Many if not all public sector organizations are managed by the retired military personnel who are the true supporters of the ruling party. This was done in a move to consolidate power and counter opposition but however the avenues of corruption have surfaced. The Zimbabwe Broadcasting Cooperation scandal, Grain Marketing Board scandal, Public Service Medical Aid Scheme scandal among other scandals are orchestrated by the legal-political environment in Zimbabwe which was crafted to deal with ESAPs related problems.

Unemployment, an issue strongly rose during EASPs is far from being resolved in the near future due to the ineffective policies being implemented with limited funding because of economic constrains. The trends clearly show that from ESAPs onwards the unemployment rate is on the rise. Basing on that it can be seen that the future of Zimbabwe will also be characterized by a high rate of unemployment. This scenario is exacerbated by a decline in foreign direct investment orchestrated by unfavorable political landscape and unfavorable economic policies which are being introduced in a move to reduce economic meltdown caused by ESAPs.

Due to economic hardships caused by ESAP s the government will continue to implement reactive rather than pro-active policies. The South-West relations particularly Zimbabwe-Britain relations will continue to be sour with the Zimbabwean government accusing Britain of orchestrating economic meltdown in Zimbabwe. According to Zhou (2012), since independence all the policies made in Zimbabwe have expansive attributes of distributive, redistributive and regulatory orientation. Though it may be perceived as negative, de-linking from the West by

Zimbabwe. This has given Zimbabwe and Mugabe specifically a 'Godly" status in Africa. This also has an impact on the peripheral positioning of Africa in the global village.

Marginalization and personalization of government resources led to targeted sanctions which came as a result of ESAPs. Though the sanctions claim to be targeted, the general populace suffered the effects.

There is dire need to have set up structures and revival of the Anti Corruption Commission to curb against personilisation of state resources which in term call for sanctions and further public suffering. Instead of appointing personnel to rum boards and parastatals like the GMB and NRZ there on partisan grounds, there is need for the Public Service Commission to be independent to maintain high levels of professionalism.

#### 3.4 Political elasticity of the land

Furthermore, it seems most probable that the future of Zimbabwe will be characterized by increase in the number of political parties in the country. This scenario will be caused by the desire to implement effective policies in the move to restore the economic status of the country. In analyzing the manifestoes of ZANU PF and MDC it can be deduced that the political parties in Zimbabwe are struggling to deal with the economic situation shaped by the negative results of ESAPs. The increase in political parties creates the avenues for political violence in a country. The failure to deal with these problems will promote the rise of other political parties in the future. The contemporary economic constraints and the failure of the government to tackle them will give rise to many political parties which are a requisite in the democratization process. The increase in political parties creates the pillars for democracy to function. Basing on that one can argue that ESAPs have positively shaped the future as far as the democratization process is concerned.

The existence of socio-economic and political mishaps as a result of the adoption ESAPs has and will also in future make the civil society participate in the policy making process in Zimbabwe. The complex nature of the political environment has made it impossible for the government to control all sectors of the society without the civil society. The involvement of civil society is important in the democratization process. It seems most probable that in the future there will be

an increase in the involvement of civil society in decision making processes so as to effectively eradicate the socio-economic and political problems brought by the adoption of the ESAPs. Given this scenario it can be argued that ESAPs will positively affect the policy making environment in the future.

It is also pertinent to note that the thrust of ZANU PF's political grip is on their land reform. Realizing that a larger percentage of the Zimbabwean population are direct and indirect beneficiaries of the land reform progam, the MDC sooner or later will be left with no option but to adopt the land issue as part of their manifesto for survival and to gain support.

It is clear from the emergency of MDC that for as long as there are economic upheavals resulting from the economic crunch, MDC will base its survival from the unemployed and have chances of winning elections as a result. There are also chances of having new political formations taking advantage of the unperforming economy the same way the MDC rose as the major political opposition.

From the possibilities likely to occur as noted above, one might recommends the following. International politics is all about struggle for power and domination and all countries must be aware of that. IMF and World Bank are controlled by western countries who are eager to achieve world dominance and because of that they do not want to see other countries growing their economies to challenge them (Morgenthau, H 1978). They are using their influence in these institutions to advance neo colonial tendencies that are not suitable for young and growing economies like those in Africa and Zimbabwe in particular. The adoption of such policies by developing countries leads to crisis as evidenced by the case of Zimbabwe. Every country that followed or implemented the ESAPs in Africa resulted in economic quagmire- Ghana, Malawi, Zambia and Zimbabwe are some of the examples where the policies failed to work dismally. African countries must know that they don't have an ally outside Africa hence African problems needs African solutions as Mbeki once noted.

#### **3.5 CONCLUSION**

The adoption of ESAPs in Zimbabwe has caused many problems in many sectors of the society. There is a noticeable shift in the policymaking environment from the first decade (pre-ESAPs) and the second and the third decade. The first decade was characterized by pro-democratic policies which were then negatively impacted on by the adoption of ESAPs which then made the third decade characterized by a series of policy failures. Given those scenarios it can then be concluded that the impacts of ESAPs are going to negatively shape the democratization process in Zimbabwe. However, it will be unfair to neglect the possible positive contributions of ESAPs in the future though to a lesser degree. The negative effects of ESAPs have necessitated the involvement of other actors in the policy making process in Zimbabwe.

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#### **CONCLUSION**

The research above dug in depth the impact of the Economic Structural Adjustment Programs in the democratization of Zimbabwe, it unveiled how democracy was affected both negatively and positively by thoroughly looking and all the three sectors that is the political, social and economic spheres. A conclusion was drawn from the findings that democracy and its foundation were largely compromised by this program for example suppression of trade unionism and student activism in general. However on the other had although to a lesser degree the ESAPs impacted positively in the democratization process, instead of a one party state which was increasingly becoming more and more powerful and the expense of the general public, these programs due to the grievances from the economic crunch gave a fertile foundation for the rise of MDC as a major political opposition which act as a check and balance of human rights as an element for democracy and public participation.

Above all it has been noted throughout the research that the impact of the Economic Structural Adjustments Programs was largely negative towards the democratization process of Zimbabwe hence it affects continue to be felt up to now. Devaluation, Deregulation of goods and dollarization strongly weakened the Zimbabwean economy giving leeway to opposition parties formation and rising against government which heavily responded by violence causing bloodshed for example the arrest of MDC students' activists in the University of Zimbabwe and the Nation at large up to now. The culture of suppression of opposition became habituous as a result of this. Up to now elections in Zimbabwe are characterized by violence which is clearly a seed that was sown to thwart political opposition. This way democratization was largely compromised as alluded to by the above research. The masses were stripped off their democracy especially by the introduction of POSSA and AIPPA which were utterly repressive laws to suppress freedom of expression, all these being the impacts of the Economic Structural Adjustments Programs in the democratization process of Zimbabwe.

It is also pertinent to note that most of the problems Zimbabwe is facing today are as a result of the long gone ESAPs which has developed a number of cultures which derail democratization for example flawed policy formulation, political violence, suppression of political opposition amongst others highlighted above which emanated from trade liberisation and economic failure.

However, though questionable the program was a necessary-evil for post-independent Zimbabwe. This is because it coercively braced the general citizen a participatory prerogative to interrogate the political happenings of the day and the imperative governance questions of the day. The thesis also noted that the impact of the Economic Structural Adjustment Programs in the democratization process of Zimbabwe was to a lesser degree positive. It laid a foundation for

a multi party state with the emergence of MDC as the major political opposition up to date. In relation to democracy, this has paved way for public participation and emergency of an "open state" system where the interaction between the state and the general populace was considered paramount and no longer taken for granted. The system of checks and balances was implemented by clear separation of powers in the three arms of the government that is the Executive, Legislature and the Judiciary as this program called for international monitoring during its implementation. Although some scholars argue that police brutality and the use of the army was an extension of the government arm to suppress strikes and active trade unionism during the year 1999 and 2000, it cannot be denied that there are notable elements of public participation in policy making as witnessed by the recent constitution making process where everyone participated. It can still be traced back to the referendum of year 2000 were the public casted a No Vote in the constitution draft by the ruling party ZANU PF after activists like Madhuku Lovemore advocated against it thoroughly.

There is dire need to have sound policies which are locally drafted to avoid the future setbacks on the democratization process. Zimbabwe has its own model of democracy which could have taken it far if ESAPs were not adopted blindly. Borrowed democratic systems destroyed the already working democratic processes in Zimbabwe for example political violence escalated from 1995 up to date. Such can be avoided by implementing craft literacy and avoid borrowing funds without a clear and laid down plan on what to use them on, which clearly has developed to be a culture according to Proffessor Jonathan Moyo in his book "*The Politics of The National Purse*". It was noted in this research that although the programs had uncouth agendas, the problems identified in the thesis were escalated by poor policy crafting, implementation and monitoring which should be a lesson to Zimbabwe in future to fully enjoy democratization that was locally brewed without borrowed elements.

# **INTERVIEW GUIDE:** The impact of Economic Structural Adjustments Programs in the democratization of Zimbabwe

#### (Government officials)

My name is Phatsimo P. Phidah (R11284H). I am studying Politics and Public Management Honours Degree at Midlands State University. I am in my last year carrying out a thesis on "*The impact of Economic Structural Adjustments Programs in the democratization of Zimbabwe from 1991 up to 2010*". Your support in answering the following questions will be significantlyvalued and treasured. I commit to observe concealment and confidentiality.

- 1. What led to the adoption of ESAPs in Zimbabwe?
- 2. Who were the involved parties in the adoption?
- 3. How was the general public affected?
- 4. What led to the collapse of the program?
- 5. Which sectors were affected by the program?
- 6. What were their effects on democratization?
- 7. What were the other effect of ESAPs?

#### Thank you so much for your support

(BE BLESSED)

#### **INTERVIEW GUIDE: Economic Structural Adjustments programs in Zimbabwe**

#### (Perpetrators)

My name is Phatsimo P. Phidah (R111284H). I am an Undergraduate at Midlands State University studying Politics and Public Management. I am doing my final year carrying out a thesis on the *impact of economic structural adjustments programs in the democratization of Zimbabwe*. Your assistance in answering the following enquiries will be greatly appreciated and valued. I promise to observe confidentiality.

- 1. What was the intended purpose of the ESAPs?
- 2. How was it implemented in Zimbabwe?
- 3. What were the end results of the program?
- 4. What were the implications of the program in the democratization process?
- 5. Who did it benefit most?

#### Thank you so much for your assistance

(May God sanctify you)

### INTERVIEW GUIDE: Impact of Economic Structural Adjustment Programs in the Democratization of Zimbabwe.

#### (General Public)

I amPhatsimo P. Phidah (R111284H). I am an Undergraduate at Midlands State University studying Politics and Public Management. I am doing my final year carrying out a thesis on the *impact of economic structural adjustments programs in the democratization of Zimbabwe*. Your assistance in answering the following enquiries will be greatly appreciated and valued. I promise to observe confidentiality.

- 1. How did retrenchment affect you?
- 2. How did you benefit from the program?
- 3. What was the impact of the program on live hood?
- 4. What were the implications the program on the democratization process?
- 5. Do you think it was a noble idea for the government to adopt the program?
- 6. How did you respond to the program?
- 7. Did the Zimbabwean situation improve?

#### Thank for your cooperation

(Stay blessed)

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<ul> <li>Is there continuity in the style of writing?</li> <li>Is there correct use of English in terms of</li> </ul>	
consistency? TOTAL SCORE (100 MARKS)	

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