Zimbabwe Agenda For Sustainable Socio-Economic Transformation (ZIMASSET 2013-2018) A Pipeline Dream Or Reality. A Reflective Analysis Of The Prospects Of The Economic Blue Print

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ABSTRACT

The year 2013 saw Zimbabwe going through elections which were won by Zimbabwe African National Union -Patriotic Front (ZANU PF) marking the end of the inclusive government between ZANU PF and the two formations of the Movement for Democratic Change (MDC). To steer socio economic development ZANU PF government launched its economic blue print Zimbabwe Agenda for Sustainable Socio-Economic Transformation [ZIMASSET 2013-2018] whose base is the elections manifesto of ZANU PF. ZIMASSET remains a good economic development framework with a good cause. However the success and reality of ZIMASSET continues to be a big question for most Zimbabweans. This paper observes that limited funding capacity, limited focus, policy inconsistency, poor performing public sector, poor governance shall pose serious threat to the realisation ZIMASSET. However this paper acknowledges that ZIMASSET is likely to register some significant economic growth whose positive impact shall remain marginal and insignificant in the lived realities of Zimbabweans.

1. INTRODUCTION

This paper provides a basis for further debate on the Zimbabwe Agenda for Sustainable Socio Economic Transformation ZIMASSET 2013-2018 which is currently the country’s economic development framework. Zimbabwe’s economic and development trajectory has been marked with uncountable economic development frameworks since 1980 some of which have long been thrown in the dust bins of history despite pointing key issues which are still relevant even in the current Zimbabwe. The paper provides a historical background of Zimbabwe’s economic development frameworks since 1980 without giving a detailed analysis or review of such strategies for the purposes of placing the ZIMASSET in the context. The paper does not provide a complete and exhaustive analysis of ZIMASSET but only provides a foundation for further debate and critique. The paper does not claim to offer a comprehensive economic analysis of ZIMASSET but only focus on a limited range of issues with regards to policy focus, governance and institutional issues.

2. RESEARCH METHODOLOGY

This paper is largely reflective in its approach, however the paper makes reference to economic blue prints which have been implemented by Zimbabwe since 1980. Documentary search and content analysis has been used to arrive at various conclusions in this paper. Key informants’ views and opinions which are also reflective on socio economic development planning and prospects have been used in this paper.

3. HISTORICAL BACKGROUND

In 1980 Zimbabwe gained independence raising hope of all the good fortunes for the citizens against a background of a protracted liberation struggle. The independent government led by the then Prime Minister
Cde Robert Gabriel Mugabe had a mammoth task of delivering on the development needs and aspirations of the population building on the popular support they enjoyed which was also spurred by independence euphoria. Since independence the country’s economic and social development aspirations have been pronounced through clearly defined policy frameworks and strategic blueprints.

In 1980, Zimbabwe became a member of SADC, IMF, and World Bank. The government developed social and economic development plans to mobilise financial resources to support production in the economy. The Zimbabwe Conference on Reconstruction and Development (ZIMCORD) in 1981 became the first platform for engagement with the international community towards the development aspirations of the country. The Transitional National Development Plan (1981), the First Five Year and Second Five Year Development Plans (1982-1990) were subsequent policy frameworks developed to steer the economy.

In 1991 Zimbabwe adopted the Economic Structural Adjustment Programme (ESAP), which was supported by the multilateral finance institutions. The World Bank provided Structural adjustment loans, while the IMF provided Balance of Payments support to the country. Additional support towards structural adjustment also came from bilateral creditors, NGOs, and other international organizations. The effects of ESAP were felt across all the spheres of the economy as it resulted in deindustrialisation, massive retrenchments and more people sank deeper into the poverty basket. Social services such as health and education were beyond the reach of the majority. ESAP left a permanent negative socioeconomic mark on the economic and political landscape of the country.

The Economic Structural Adjustment Programme (ESAP) was abandoned in 1997 following its devastating socioeconomic consequences. This led the government to go indigenous with regards to economic development strategies with the first home grown national development program being the Zimbabwe Program for Economic and Social Transformation (ZIMPREST) adopted in 1998 but had limited success due to funding challenges. It was succeeded by the Millennium Recovery Program in 2001 which was also not a success due to lack of funding and international support which was further compounded by the negative perceptions associated with Fast Track Land Reform Programme (FTLRP) which was started in 2000. In 2003 the government adopted the National Economic Revival Programme (NERP) acknowledging the major challenges that have caused the decline in national economic performance and the deteriorating social conditions. NERP unlike the previous development frameworks had a more broad focus of development which was beyond economic growth. However the country did not record any significant milestones in development under NERP due to a wide range of factors such as funding, governance and continued international isolation of country.
3.1 2008 TO 2013 PERIOD

The period between 2000 and 2008 has been described as the lost decade in the economic and development history of Zimbabwe. During this period the economy was on a continuous free fall leading to a cumulative decline of the real GDP growth by more than 50% attributed to the various socioeconomic and political factors such as economic mismanagement, poor governance, corruption, lack of rule of law, deteriorating institutional capacity, capital flight, low investment and continued international isolation of the country.

The economy continued to decline during this period with inflation rising to more than 500 billion percent by 2008 fuelled by money printing by the Reserve Bank of Zimbabwe for quasi fiscal funding. The continued and sustained high inflation led to state controls on the producer and retail prices consequently creating massive consumer commodity shortage on the market thus creating a thriving informal market for most consumer commodities. Droughts during this period added to the complexity of food insecurity in the country.

The year 2008 marked a great turning point in the political landscape of Zimbabwe due to two major events, the first one being the disputed violent elections which were not recognized by the both SADC and African Union which later had to mediate in the aftermath crisis with then President of South Africa Mbeki being the mediator under the SADC mandate. The second major event of 2008 was the signing of the Global Political Agreement (GPA) between ZANU PF led Cde Robert Mugabe and the two formations of the MDC led by Morgan Tsvangirai and Prof Authur Mutambara. There is no doubt that Thabo Mbeki went through a tough time and deserves credit and acknowledgement in bringing these parties to an agreement considering the ideological differences but however through his much criticised quiet diplomacy 15 September 2008 became big day as parties had accent their signatures to the GPA.

Through the GPA the parties declared to

……. to work together to create a genuine, viable, permanent, sustainable and nationally acceptable solution to the Zimbabwe situation and in particular to implement the following agreement with the aims of resolving once and for all the current political and economic situations and charting a new political direction for the country

…… to give priority to the restoration of economic stability and growth in Zimbabwe. The Government will lead the process of developing and implementing an economic recovery strategy and plan. To that end, the parties are committed to working together on a full and comprehensive economic programme to resuscitate Zimbabwe's economy, which will urgently address the issues of production, food security, poverty and unemployment and the challenges of high inflation, interest rates and the exchange rate. GPA Article 11 and 111

Pursuant to its economic and development goals the inclusive government though being an unstable marriage of convenience full of tensions, mistrust and deepened power struggles adopted the Short Term Emergence Recovery Programme (STERP) with a motto Getting Zimbabwe Moving Again in March 2009. STERP was an emergency economic recovery and stabilisation programme with an ultimate goal of laying the foundation
for a broader and transformative mid term to long term economic programme that would see the formation of a developmental state. The key priority areas of STERP were political and governance issues, social protection and stabilisation. STERP (2009)

STERP resulted in some economic stabilisation and restoration of hope among the people of Zimbabwe moreso with the adoption of the multi- currency system thus taming hyperinflation. A review of progress under STERP during 2009 undertaken by the government shows mixed results, with some progress recorded in a number of key areas, and some outstanding issues and challenges requiring further attention. The implementation of STERP had some positive achievements, particularly on the economic front, in such areas as inflation reduction, resuscitation of business activity and subsequent improved supply response, removal of price distortions, improved management of public resources, recovery of basic public services provision, normalisation of financial services, re-engagement efforts with the international community, as well as confidence building. GoZ (2010).

The implementation of STERP had challenges about how to prioritise resources, some unethical conducts over use of public resources, all served to undermine restoration of timeous provision of public services such as water supply, sanitation services, power, health, education and refuse collection, among others. This was compounded by weak monitoring and evaluation systems, absence of a more effective co-ordination, synchronisation and greater accountability over STERP implementation and set targets also emerging as a critical focal area requiring redress for faster economic recovery and delivery of public services. GoZ (Ibid)

In 2010 the inclusive government adopted STERP 11 which was to become a medium term economic development framework for the country. The vision of STERP 11 was to:

To build a sustainable developmental State through the medium of a dynamic and stable economy.

The main objective of the STERP 11 was to move the country’s economic reforms beyond macro-economic stabilisation, embracing the challenges of graduating the economy towards a sustainable rapid growth and developmental path building on the successes of STERP 1. The specific objectives of STERP 11 are

Sustaining macro-economic stabilisation and consolidating STERP, also embracing:

Completion of the implementation of all the unfinished STERP programmes and projects;

• Ensuring food security and self sustenance, including support for optimum land utilisation;

• Restoring basic services, through targeted improved delivery of such services as health, education, transport, power, water and sanitation

• Support for rapid growth, development and employment creation, with annual targets upwards of 5% and targeted drastic reduction in prevailing unemployment;
Promoting regional integration, guided by the quest to broaden markets for domestic products in the region and beyond. STERP 11 (2010)

The attainment of the above by the government has been a contentious issue intricately intertwined with the political dynamics of the GPA. The parties in the GPA continued their internal power struggles in government with tensions rising over implementation of reforms guided by the GPA. The governance domain became a battleground over issues such as media reforms, political power, future elections, political tolerance and security sector reforms which ZANU PF did not concede much. The GPA provided a great platform for ZANU PF to rejuvenate and consolidate its power base following the 2008 electoral demise. Having been in power for more than two decades ZANU PF was the privileged partner in GPA with indepth understanding of politics and power in government. The MDC formations were the new comers in government, a territory for ZANU PF thus their concentrations on petty political contentious issues which they could not move ZANU PF an inch.

The GPA remained a marriage of struggles and tensions with threats of disengagement by the MDC formations though with little effect to ZANU PF which remained bold and unshaken as it consolidated its power base both in government and party. The GPA came to an end in 2013 with elections in the month of July whose political and institutional base remained a contentious debate between ZANU PF and the MDC led by Morgan Tsvangirai. ZANU PF resoundly won the 2013 elections and armed with its winning manifesto in government, the party developed a new economic development framework for the next five years which they termed Zimbabwe Agenda for Sustainable Socio-Economic Transformation (ZIMASSET) whose bedrock was the ZANU PF elections manifesto.

Zimbabwe Agenda for Sustainable Socio-Economic Transformation [ZIMASSET]

ZIMASSET is an economic blueprint developed by the ZANU PF government following the 31 July 2013 elections. ZIMASSET shall guide national development for the next five years up to 2018. The vision of ZIMASSET is ‘Towards an Empowered Society and a Growing Economy’ a well thought and crafted statement whose dream is easily shared by any Zimbabwean. The implementation of ZIMASSET is underpinned by the Results Based Management which is set to be institutionalised in all government departments and quasi government units thus providing a performance management framework for government work and operations.

ZIMASSET is a cluster based plan which divides the economy in the following major clusters:

- Food Security and Nutrition
- Social Services and Poverty Eradication
- Infrastructure and Utilities
Value Addition and Beneficiation

The above major clusters are supported two sub clusters which are Fiscal Reform Measures and Public Administration, Governance and Performance Management. According to the ZIMASSET document the blue print seeks to consolidate gains by other empowerment initiatives by ZANU PF mainly the land reform and indigenisation. Further to this ZIMASSET identifies the key drivers of growth in the economy as value addition processes in the following sectors

Mining sector
Agriculture sector
Infrastructural sectors especially power generation
Transport sector
Tourism sector
ICT sector
SMEs and Cooperatives.

ZIMASSET is set to see the economy growing by an average of 7.3% and it is expected to grow by 6.2% in 2014 with an upward trend continuing up to 9.9% in 2018. The ZANU PF government has been in power since 1980 pursuing the same ultimate goal of growing the economy, empowering people, improving lives of the masses and creating employment through various economic development frameworks outlined above. The biggest questions is not about clarity of intention and policies but whether ZIMASSET is going to do the miracle of turning around the economy towards empowering the people and growing the economy. This requires a further examination of the current polity, realities and challenges.

4. REVISITING DEVELOPMENT PLANNING IN ZIMBABWE

Development planning is central in any endeavour by the government to deliver its mandate with regard to development goals. ZIMASSET is no different in both commitment and intention to other development plans and frameworks which the country has had before. The government has been playing the leading role in development planning in Zimbabwe. State engineered development has been argued to have had limited success, Bates (1983) thus aiming only to control the population especially in rural communities. While this paper accepts the argument that state engineered development is about mass control and mobilisation of the population, development remains the ultimate responsibility of the government. The involvement and support of non-state actors does not take away the development responsibility from the government. Non-state actors can never develop a country. Post colonial Africa has been the face of centralised development planning
which however has been criticised to be authoritarian so is the developmental state. Mutahaba and Kweyamba (2010). Five Year Development Plans have been synonymous with state led development in Africa and Zimbabwe is not an exception since independence. Development planning in Zimbabwe despite being government driven has been faced by a crisis of visioning. Zimbabwe’s long term development has not been shared enough among the population. Political slogans have been actually more popular than the national vision which is known as Vision 2020:

‘Zimbabwe’s vision is to be a united, strong, democratic, prosperous and egalitarian nation with a high quality of life for all Zimbabweans by the year 2020’. The national Vision for Zimbabwe is based on the following pillar/ aspirations for the desired future of Zimbabwe.

- Good Governance
- Maintenance of political stability
- Diversified economy with high growth rate
- Access to social services by all
- Acceleration of rural development
- Equal opportunities for all
- Development and utilization of modern science and technology
- Vibrant and dynamic culture and
- Sustainable utilization and management of natural resources

ZIMASSET being the current socio economic development plan does not in any way provide reference to Vision 2020 nor link its development aspirations to the country’s’ vision. During the inclusive they were attempts to develop Vision 2040. There is no doubt that the country vision has been dumped to the dust bins of history therefore reducing the country’s’ development to short term myopic plans divorced to the long term vision moreso considering that publicity has been more on the economic blue prints than the national vision. A shared national vision can be powerful force and rallying point for uniting citizens. It is the contention of the analysis that ZIMASSETs’ capacity to turnaround the economy is highly impaired due to its short sightedness and unclear link to the country’s vision. The government since independence has reduced development to five year blocks defined by various economic blue prints at different epochs explained above. Five years is too short to transform even the smallest economy or community in the world.

The five year development plans are always diluted with elections which are carried every five years, political survival and electoral victory becomes the prime goal for most politicians. In the second and third year the momentum gathers for preparations for the next elections. The perpetual election mood coupled with development frameworks whose cycle is attached to the election cycle is inimical to development in a
country. ZANU PF having dominated the political landscape since 1980 should have developed a long term
development blue print which is beyond five years whose base and continuity of aspirations could still have
been the foundation of its electoral victories. ZIMASSET remains trapped in the development planning
shortcomings of the country thus limiting it is capacity to attain its defined goals.

5. GOVERNANCE AND PUBLIC ADMINISTRATION

ZIMASSET lands itself in country with serious challenges on transparency, accountability and corruption
which is one of the country’s cancer. The prevalence of corruption in Zimbabwe has increased over the last
decade. According to the Transparency International Corruption Perception Index (CPI)3, Zimbabwe’s score
decided from 3.0 out of 10 in 2000 to 2.2 in 2011. Over the same period, Zimbabwe’s CPI ranking has fallen
from 65th out of 90 countries to 154th out of 183 countries. Similarly, the World Bank’s Control of
Corruption Index ranks Zimbabwe in the 5.2 percentile, down from 15.1 in 2000. While the CPI is a contested
indicator due to the fact that it’s a perception based indicator which is also value laden. However what cannot
be disputed in Zimbabwe is the fact that corruption is at its worst levels in both the public and private sectors.
Weak public accountability systems sustained low civic engagements have added to governance challenges
facing the country. In addition institutions for public service delivery are weak with serious capacity
challenges thus a weak engine for ZIMASSET. The government cannot deliver the public goods which are the
base for total economic and social development.

It is the argument of this paper that with current governance crisis prevailing in the country whose redress
requires a time period which is beyond the ZIMASSET implementation time frame, the capacity of the
government to deliver the ZIMASSET goals remains blurred. A new value system is required to address the
current governance crisis and this is a mammoth task which is beyond frameworks and policies.

The performance of the public sector which is at its worst at the moment remains critical to the turnaround of
the country. The quality and performance of the public sector combined with its effects and impact are
pervasive to both the public and private sectors thus ultimately determining the country socio -economic
development. Kiragu (2000). The public sector determines the country’s capacity to meet its goals with respect
to poverty reduction, economic growth and unemployment. The success of ZIMASSET is also determined by
the quality and performance of the public sector. The current efforts to institutionalize Result Based
Management (RBM) in the public sector is going to have little impact due to limited resources to fully fund
the public sector and more so the same efforts are not being duplicated in the private sector. Efforts by the
government to institutionalise RBM and the corporate governance framework shall only provide a framework
for good governance and performance management with little positive change during the life span of
ZIMASSET. As argued above in this paper the implementation time frame for ZIMASSET despite its well-
intended cause remains to too short to transform the economy due to complexity of the challenges bedevilling the country.

6. FUNDING AND INTERNATIONAL SUPPORT

Development requires resources and the major one is funding to any development plan and ZIMASSET is not exception. Zimbabwe requires about USD 27 billion to fully operationalize ZIMASSET. The country is struggling to fund a USD 4 billion budget whose bigger share is going towards recurrent expenditure. The Zimbabwe Democracy and Economic Recovery Act of 2001 passed by the American government and sanctions imposed by the European have isolated the country from the international community over the past decade thus denying the nation international financial support. While the rationale of sanctions upon Zimbabwe as well as well the qualification and conceptualisation of these sanctions have remained a contested terrain but what cannot be contested is the fact that country has not been able access funding from international financial institutions due to these measures and sanctions. ZIMASSET risk being reduced to mere piece of paper waiting to be retired in the dust bins of history due to challenges of funding its complete implementation.

7. CONCLUSION

ZIMASSET remains far away from being a reality in the lived realities of Zimbabwean due to key issues noted above which are related to its successful implementation. The blue print is projected to have little positive impact on the lives of Zimbabweans though it will record a significant economic growth whose dividends shall remain marginal to the poor people of the country. ZIMASSET will however remain a framework which shall guide various socioeconomic efforts by the government and non-state actors who believe in it. Beyond ZIMASSET the country shall continue to yearn for development funding, better performing public sector, good governance, long term development frameworks, unity of purpose and tolerance ‘Towards an Empowered Society and a Growing Economy.’

8. REFERENCES