

Brief Report 8/91

ZIMBABWE: ELEVEN YEARS AFTER

CONSTITUTIONAL CHANGES AND THE LAND ISSUE

As one of the region's most important states, Zimbabwe enters its eleventh year of independence with its fundamental law - the Constitution - free from all transitional arrangements agreed to at Lancaster House in 1979. With 11 amendments passed by Parliament since independence, future amendments are likely to be less frequent, following the ruling ZANU (PF)'s Central Committee decision in September last year not to seek a constitutionally-entrenched one-party state, but instead to gather support for the retention of de-facto one-party rule now in operation.

There were two important amendments in the past year. The first, passed by Parliament in June, removed from the Constitution all mention of special entrenchment of certain clauses and chapters. The move was largely symbolic, since these special provisions had expired, but it was a significant symbol. This amendment (the tenth) also empowered the President to appoint up to two vice-presidents, thereby enhancing his already considerable powers of patronage. Veteran politician Joshua Nkomo was sworn in soon after, joining Simon Muzenda as the other vice-president.

The second (the eleventh in total), passed by Parliament in December, generated considerable debate - both inside and outside Parliament - over the proposals to change the Bill of Rights and prepare the ground for more effective land reform and redistribution. This amendment also gave Zimbabwe a new official name, the Republic of Zimbabwe.

The debate centred on the changes to the Bill of Rights in the Constitution. The biggest change was the effective removal of the right of farmers whose land was expropriated for resettlement to be paid in the currency of their choice after "adequate" compensation was agreed upon. Parliament amended this provision to allow for "fair" compensation to be paid when land was compulsorily acquired, the foreign exchange requirement was dropped, and the price could not be contested in the courts. However, farmers can still contest in court whether the correct procedures have been followed and whether the reason for compulsory acquisition is a reason provided for by the Constitution.

For the first decade of independence the State had the right to acquire land when this was reasonably necessary for defence, public safety, public order, town and country planning, or for a purpose beneficial to the public. The amendment added resettlement and made it clear that land reorganisation, forestry, environmental conservation, use of wildlife and other natural resources and land for relocating those affected by such acquisitions were also included.

Before land reform could actually be implemented however, a new Land Acquisition Act was needed. The Constitutional Amendment made the passing of such an Act possible.

The two other amendments to the Declaration of Rights concerned corporal punishment of minors and the legality of hanging as a method of implementing the death penalty. The Supreme Court had ruled that whipping of juveniles was unconstitutional. (Whipping of adults remains unconstitutional following an earlier Supreme Court decision.)

The Constitution, agreed upon at Lancaster House, explicitly saw the death penalty as constitutional. The amendment of December allowed for appeal over the death penalty by hanging. Namibia and Mozambique are the only mainland African countries to have dropped the death penalty so far.

Future amendments will provide for matters not covered by the Lancaster House Constitution, such as the introduction of provisional governors and the upgrading of the position of the Attorney-General. The independence of the Judiciary will be ensured.

THE ECONOMIC REALM

Zimbabwe stands on the threshold of a new era in its economic life, following the government's decision to restructure the economy – along IMF lines – reduce poverty and create employment for the thousands of school-leavers roaming the streets. The government is putting aside some R20million to help those who lose their jobs, including 10 000 in the civil service, but the Trades Union Congress (TUC) is of the opinion that this figure is inadequate.

Central to the Government's plans is the need to reduce, and eventually eliminate, parastatal subsidies, reduce the Budget deficit over the next five years and let market forces prevail in the economy.

These objectives are contained in one of the most significant policy changes of the past eleven years. Titled "Zimbabwe – A Framework for Economic Reform – 1991–1995", this policy document is a direct follow-up to the policy statement made by the Senior Minister of Finance, Economic Planning and Development, Dr. Bernard Chidzero, when he presented the 1990/91 Budget to Parliament.

The document outlines policy actions which the government would take, on a year-by-year basis, over the five-year period up to 1995. Most of the US\$42 billion needed for the programme of restructuring, mainly for increased imports to revitalise stagnant industry and improve its competitiveness, is scheduled to come from increased exports. In this respect, the recent Paris donor conference was seen as critical for getting the programme off the ground meaningfully.

Zimbabwe's programme of economic restructuring and adjustment was drawn up in close consultation with the World Bank and the International Monetary Fund (IMF). The government was confident that it would meet the country's needs over the next five years while attracting adequate international donor support. Support for the structural adjustment programme came from the United States, Canada, the United Kingdom as well as from the World Bank and the IMF.

Donors were specifically asked to support a 'social fund' set up by the government to ease the social costs (especially in terms of rising unemployment, decreased social spending, and the phasing out of state subsidies) that inevitably accompany IMF-based programmes of structural adjustment. To date, the government has had reasonable success with its 'social fund'.

The programme of structural adjustment also hopes to reduce and stabilise the deficit on the current account, which was US\$235,7 million or 1,5% of gross domestic product (GDP) in 1989 and is estimated to have amounted to US\$468,8 million in 1990, or 2,8% of GDP.

The programme hopes to expand imports significantly over the next few years, without creating an excessive current account deficit and generating crippling external debt. But all of this would hinge upon adequate foreign financing to support the needed increase in domestic investment.

In line with other similar IMF-induced programmes of structural adjustment, however, there will be a rapid need for the expansion of imports – principally through the relaxation of import controls – which (theoretically) will provide the materials and capital goods needed for the recovery of investment. At the same time, foreign reserves will be gradually built up, so as to cover additional imports. New borrowing will thus be needed to help fund increased investment by supporting the temporary increase in the current account deficit. The success or otherwise of the plan rests heavily on major increases in grants, as well as in concessional and other long-term lending. Short-term borrowing is not particularly useful in addressing structural and investment issues. Clearly, there are considerable political and social risks associated with such programmes.

In the case of Zimbabwe, as indeed elsewhere, however, there are additional factors that impact upon any development or restructuring programme. Growth in the country's gross domestic product has, at 2,7% a year between 1980 and 1989 (a far better performance than in South Africa), lagged behind population growth, while a disproportionate share of this growth was in the provision of social services and in the growth of the civil service. Moreover, most of the new formal jobs created during the past decade were in the government sector, especially in education, health and public administration. While there was a deliberate policy of affirmative action – aimed at addressing historical imbalances and inequities – this was not matched by employment growth in other sectors of the economy, especially in agriculture, small-scale sector enterprise and in manufacturing.

Consequently, there is now a need for investment in other sectors of the economy – especially in small-scale, informal activities as well as in infrastructure, notably in the country's ageing and inefficient transport sector. Transport regulations have recently been reviewed and

there are plans to demonopolise urban transport, which is monopolised by the Zimbabwe United Passenger Company.

THE RIGHT TO THE LAND

Paradoxically, the commercial farming sector in Zimbabwe has been one of the major beneficiaries from the advent of majority rule and independence in 1980. It now produces more from less land and with lower levels of employment.

Presently, the membership of the Commercial Farmer's Union (CFU) is 4,700 and the rural white population has remained much more stable than in the urban centres. It accounts for almost 25% of the remaining white population of some 110 000. The contribution of agriculture rose over the past decade from 14% of GDP in 1980 to almost 20% in an economy which was averaging 4% annual real growth. These changes have taken place despite the loss of 3 million hectares of commercial land used for resettlement purposes. The commercial sector still owns 12,6m.ha., a third of the country.

While the land problem remains critical to political stability in the country – if not to the survival of the political elites themselves – there has been no nationalisation or expropriation of land over the past eleven years – contrary to fears in the CFU and elsewhere.

CONCLUSION

The Republic of Zimbabwe has had many achievements over the past eleven years: its impressive performance in the fields of education and health; its political stability; its constructive role in regional and international politics – notably in neighbouring Mozambique, as well as in the Non-Aligned Movement, the Organization of African Unity (OAU) and the Southern African Development Co-ordination Conference (SADCC) – and the standing of its civil service. There have also been worthy performances in peasant and commercial agriculture, as well as in nature conservation and soil utilisation, to mention but a few fields.

But, as the country enters its second decade of independence, it faces tough challenges: menacing unemployment; rapid urban migration; tensions in the relationship between organised labour and the state; economic restructuring (with its attendant social dislocations); and the spectre of dealing with post-apartheid South Africa. In the case of the latter, the country may well have to recast its regional and foreign relations to reflect the new realities in the region and the world.

Jan Smuts House
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