

Zimbabwe on the brink of collapse

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According to the Economist Intelligence Unit, Zimbabwe now tops the list of the world's poorest performing economies. Official figures released in November's budget gave the decline in Gross Domestic Product in 2003 as 13.2 percent, and predicted a shrinkage of 8.5 percent in 2004.

The level of inflation was officially 620 percent in December, although the real figure is much higher with foreign currency virtually unobtainable. All lines of credit have been closed as the International Monetary Fund (IMF) has begun expulsion procedures after Zimbabwe failed to pay its arrears.

Not only are the people of Zimbabwe hit by widespread poverty and unemployment—estimated at 70 percent—but also severe food shortages. The Famine Early Warning System (FEWS) reports that whilst the numbers of people in rural areas requiring food assistance from October to December 2003 was 4.1 million, it will rise to 5.1 million from January to March of 2004. On top of this some 1.1 million urban dwellers will be in need of food aid next year, taking the total to well over half the country's population.

Food handouts in December for 2.6 million people organised by the United Nations World Food Programme (WFP) were halved as the agency suffered from a shortage of funds. The WFP's appeal for \$311 million last June to cover its food assistance was short by \$161 million, with Western donors cutting back on aid.

For non-food aid the situation is considerably worse. The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) noted that "with crumbling health services, the region has experienced a general decline in health and human development, and an increase in morbidity and mortality rates."

This is in a country where HIV/AIDS affects up to 30 percent of the population. Because of AIDS there are now 780,000 orphans in Zimbabwe and the number is projected to reach 1.1 million by 2005.

Doctors and nurses have been on strike for over two months, unable to live on their current salaries. It is now common for the cost of travelling to and from work to take up half of a person's income.

Education has been severely hit, with the number of school dropouts up to 10 percent and increasing, according to UNICEF. After independence Zimbabwe's education system expanded and became one of the best in the region, but now the budget has been cut. School fees next year will be up by 400 percent in some cases, forcing many more parents to keep their children at home.

A recent survey showed that over the past four years skilled labour has left Zimbabwe in a "massive brain drain." Thousands of professionals, including doctors, nurses, teachers, engineers, scientists and financial experts were leaving to Britain, the United States, Australia, South Africa and Botswana. There were now more Zimbabwean-born scientists and engineers in the Diaspora than in the country: "The deteriorating economy in Zimbabwe has forced some professors, lecturers, medical doctors and scientists to operate minibuses, taxi cabs or operate beer parlours."

British response towards this catastrophe in Zimbabwe was made clear at the recent Commonwealth conference when Zimbabwe's continued suspension was insisted upon. Britain, as the former colonial power, has led the condemnation of Zimbabwe's regime but it is supported in this by

the United States and other Western powers.

Prime Minister Tony Blair told parliament, Zimbabwe's pariah status would continue until the regime of President Robert Mugabe was ousted. He insisted that South Africa and the other southern African countries in the region would have to assist in "regime change" or the economy of Zimbabwe would be allowed to spiral downwards, dragging the whole region with it. "I only hope that people understand that the state of things in Zimbabwe is so bad that in the end the impact will be felt in the entire region, and that the best way of dealing with things is to realise that until that regime is changed the situation will continue."

Blair argued the IMF and World Bank line that African regimes had only to develop "good governance" to halt the continent's economic decline. In excluding Zimbabwe the Commonwealth was giving a "signal" to developing countries. Improvement in "governance", Blair repeated several times, was the prerequisite for aid, development assistance and debt reduction. Zimbabwe's rigged presidential elections and repressive measures against political opponents were raised as the main problem.

Millions of African people, hit by rising levels of poverty, famine and the AIDS pandemic, are fully aware that Blair's policy of "good governance" has brought nothing but disaster. African countries that have followed Western diktat, removing long standing leaders and holding multiparty elections—Blair gave Ghana and Kenya as examples that Zimbabwe should follow—have failed to see any debt reduction and increased aid levels in response. All have seen levels of poverty rise during the last decade, though not as rapidly as Zimbabwe.

Blair touched briefly on the free market policies that are at the core of his version of "governance" and at the heart of the dispute with Zimbabwe. African governments must realise, he said, that "their judicial, commercial, and taxation systems need fundamental reform" and that "they need private investment". In other words, all restrictions on foreign investment and Western finance must cease and the state sector, including welfare provisions, should be slashed.

There is a widespread view in Africa that Mugabe has come into conflict with Britain because of some progressive or even socialist standpoint. The seizure of white-owned farms in particular is seen as a stand against colonial injustice and a return of land to the dispossessed poor. South African President Thabo Mbeki is well aware of such opinions and raised disagreements with Britain at the Commonwealth summit—though when it came down to it he did not vote against Zimbabwe's continued suspension. In an open letter to African National Congress members he chastised Britain for failing to finance land redistribution in the late 1990s and although he had opposed violence, "a forcible process of land redistribution perhaps became inevitable."

Mbeki is cultivating illusions in Mugabe because he finds it useful to deflect attention from the deep unpopularity of the free market measures he has imposed on South Africa by dressing up in anti-imperialist colours. In fact, Mugabe's politics, including the land occupations, have nothing to do with socialism or creating social justice.

After taking power in 1979, Mugabe worked to strengthen capitalism in Zimbabwe. As one US banker put it in the early 1980s: "The management

of the more sophisticated large companies, i.e., TA Holdings, Lonrho and Anglo American, seem to be impressed by and satisfied with Mugabe's management and the increased level of understanding in government and commercial considerations... I feel it is a political pattern that Mugabe gives radical, anti-business speeches before government makes major pro-business decisions or announcements." [1].

Mugabe's politics are essentially the same as a whole number of black bourgeois regimes professing Pan Africanist or socialist views that were put in power when Britain and France ended colonial rule in the 1960s. This elite layer, most of them educated in Western universities, were used by the colonial powers to maintain their economic domination over the African continent, which had been threatened by a wave of strikes and political unrest in the period following World War Two.

These regimes accepted the division of Africa that had been carried out by the colonial powers and despite, in some cases, carrying out nationalisations and introducing limited welfare state measures, they never challenged the capitalist profit system from which they benefited. Their socialist rhetoric aside these leaders articulated the class interests of an aspiring bourgeois and petty bourgeois layer, which was organically opposed to the liberation of the working class from capitalist exploitation.

The anti-imperialism of those like Mugabe was bound up with their striving to secure the right to exploit their own working class and oppressed masses and was always subordinate to this overall aim. What they wanted from the former colonial powers was a political and economic arrangement that allowed them a share in the surplus value extracted from the working class—either through the development of native industries through policies of import substitution and financial aid from the West, or in the form of taxes on international corporations that continued to operate.

During the Cold War period they could lean for support on the Soviet Union or China as a means of strengthening their bargaining position with the old colonial powers. But the talk of socialism largely disappeared with the collapse of the Stalinist regimes in the 1980s and IMF structural adjustment programmes were adopted virtually everywhere.

The difference to this general pattern of development in Zimbabwe, or Rhodesia as it was then called, was the existence of a larger group of white settlers opposed to sharing power with a black elite. Faced with a wave of strikes and growing political awareness amongst black urban workers in the 1940s and 50s, the British Labour government encouraged more white emigration to support the colonial regime. The number of white Europeans in Rhodesia doubled between 1941 and 1951. All the managerial and privileged jobs went to whites and systematic discrimination against the African population was legally enforced.

Mining operations in Rhodesia were never as profitable as in South Africa and whilst a significant growth of industry occurred after the war, agriculture was the core of its economy. After the brutal conquest of the region by Cecil Rhodes in the 1890s, white settlers seized all the prime land. By 1922, 64 percent of the African population were confined to reserves in tribal areas. A series of laws were passed forcing them to work on European farms, and they were prevented from growing most cash crops.

Culminating in the Land Tenure Act of 1969, legislation was passed to divide the land up into white- and black-owned areas.

When Britain tried to decolonise Rhodesia in the 1960s, it was opposed by the white settlers who eventually made the Unilateral Declaration of Independence (UDI) in 1965. The UDI regime led by Ian Smith insisted that the white settlers, although they were prepared to see a greater role for the black elite, would not transfer political power to them.

The nationalist movement in that period, and there is no reason to believe the young intellectual Robert Mugabe was any exception, had assumed that Britain would intervene against UDI and hand power over to them. "I expected the British to take some action. I was filled with

hopelessness when they failed to do so," said one nationalist leader [1].

The weak and divided nationalist leaders made little attempt to mobilise the black masses against UDI, even though there was a wave of strikes. The two main organisations, Zimbabwe African National Union (Zanu) and Zimbabwe African People's Union (Zapu), went into exile and organised limited guerrilla operations against the Smith regime.

It was not until the 1970s that Zanu, influenced by the Frelimo movement in Mozambique, moved away from carrying out limited guerrilla incursions to building a base of support amongst the rural masses and stepping up the war against the white regime. More radical political views were put forward. Zanu's programme stated that the land and all natural resources "belong to the people of Zimbabwe as a whole in perpetuity. No person has the right of private ownership of land and minerals... Zanu would dismantle the white farms and base its efforts for increased production on an entirely new socialist arrangement." [1]

Mugabe came to the leadership of Zanu by skilfully using the growing popular support obtained by this radical-sounding land programme against the older, more conservative leaders. At the same time he ruthlessly suppressed more radical sections of the guerrillas who opposed a deal with Britain and the Smith regime, including, for example, the murder of 300 guerrilla fighters in Province, Mozambique in 1977.

By the mid 1970s the nationally isolated Rhodesian economy was in sharp decline and fear that a radicalisation of the masses was developing throughout Southern Africa meant that Britain and the United States wanted a deal.

Mugabe's popularity enabled independence to be organised entirely to the satisfaction of Britain and the West. All sections of the British parliament congratulated Mugabe as British Foreign Secretary Lord Carrington obtained virtually every point he demanded in the final Lancaster House Agreement. A recent interview with Lord Carrington explains the importance of the 1980 deal for Britain. "But for that," he said, "there wouldn't be a single white farmer on any farm in Zimbabwe, or any white person in Zimbabwe at all. What was happening in 1979 was people being killed, black and white, and the place was in a state of collapse."

Private business was declared sacrosanct and investment by multinational companies flooded into the country. Mugabe agreed to pay off the debts built up by the Smith regime in financing the war. All promises of land nationalisation were dropped and the large white farmers were guaranteed 10 years of ownership of their land if they wished to stay.

The small farmers and landless got virtually nothing. Even under the relatively better economic conditions and loan assistance from the World Bank, problems with poor infrastructure and lack of inputs increased the rate of defaults compared to that under the Smith regime. Between 1980 and 2000 only 70,000 out of approximately one million farmers on the poorest Communal Area land were resettled.

When 10 years was up nothing was done to remove the white farmers and organise land reform. The 1993 Land Designation Act intended to address the issue was shelved because it was not in line with IMF/World Bank directives.

In 1991 the Mugabe government adopted the IMF's Economic and Structural Adjustment Programme (Esap). As in the rest of sub-Saharan Africa the results were disastrous even though Mugabe attempted to implement the liberal economic policies to the letter, earning the praise of the World Bank in 1995 as "highly satisfactory" (the highest possible grading) [2].

Between 1990 and 1995 per-capita spending on healthcare fell by 20 percent, 18,000 public sector jobs were abolished and the civil service wage bill reduced from 15.3 percent in 1990 to 11.3 percent of GDP in 1994. Foreign exchange controls were removed and trade tariffs lowered.

Liberalisation first hit the weak manufacturing sector, but by the late 1990s the crucial exporting agricultural sectors such as tobacco, together

with mining, were hit by falling prices. Debt levels rose to \$US4.3 billion by 2000, taking as much as 38 percent of foreign export earnings in 1998. Faced with mounting unemployment and drastic declines in real income, there was a growing strike wave and the Movement for Democratic Change (MDC) opposition attracted growing support.

It was only in the midst of this crisis, unable to meet the increasing demands from the IMF without losing more support, that Mugabe once again resurrected the land issue.

Whereas land occupations had been suppressed by the police in the 1990s, in 2000 Mugabe began backing the war veterans' movement and encouraged the takeover of white farms. A band of unemployed youth were paid to intimidate and in some cases murder white farmers, as tens of thousands of poor farmers and landless began occupying the higher grade land.

The land occupations proceeded completely haphazardly. There was no attempt to nationalise the land, and whilst a relatively small number of small farmers gained land (some 127,000 were awarded land according to the government's Utefe Committee), big gains were made by the Zanu-PF elite. There is now a struggle between wealthy black businessmen over land ownership, which according to the pro-government *Sunday Mirror*, "is likely to engulf the country because of botched up allocation of this finite resource."

The small farmers who gained land have fared far worse even than those who were given land in the 1980s. A recent survey of the Zimbabwean population showed that whilst 96 percent knew about the land seizures, only 14 percent said they had access to land. Less than 65 percent of those allocated land had occupied it and even fewer were in production. According to the government's District Development Fund (DDF), only 12,000 hectares out of a targeted 100,000 hectares for both commercial and communal farms were being tilled. DDF reported the majority of tractors broken down due to shortage of diesel and lack of spare parts. There are also shortages of seed, fertiliser and other inputs.

Whilst Mugabe had been portrayed as unhinged by Western journalists, his land programme is entirely consistent with his bourgeois nationalist politics of the last four decades. As in the war of liberation, his attempt to gain some popular support is entirely subordinate to the interests of the black elite. Mugabe hoped that the attacks on white farmers would persuade Britain and the international bankers to make more concessions. The real importance attached to supporting small farmers is shown in the latest budget: \$Z439.8 billion to the agricultural sector compared to \$Z1.27 trillion for defence and security to pay for the suppression of all opposition.

The black elite, in many cases in partnership with sections of their friends amongst surviving white farmers, have evaded the "smart sanctions" of the West and increased their personal fortunes. Private companies, including 300 or so that are British owned, have been left untouched. But Mugabe has seriously miscalculated if he thinks there will be a national economic revival or that Blair will want to make a deal like his predecessors in the 1970s. The collapse of the Soviet Union and the complete domination of the global economy over nation states mean that no compromise with the national bourgeoisie is on offer if they are deemed to have implemented imperialism's dictates with insufficient vigour. Blair's standpoint of letting the Zimbabwe economy collapse and its population suffer the consequences until the regime changes is no idle threat.

There can be no progressive solution to the land question without taking the main core of production and finance out of the private ownership of the multinationals and the local elite and placing it under democratic control and ownership of the working people and poor farmers. That means building a socialist movement that does not accept the old colonial boundaries, but is developed throughout the Africa continent and internationally. All debt to the West should be repudiated. Not only does

this entail rejecting nationalist politics but also the "free market" economics of Mugabe's opponents in the MDC, whose demand for a return to IMF programmes would be equally disastrous.

Notes:

[1] *Zimbabwe: A Revolution That Lost Its Way*, André Astrow, Zed Books, 1983

[2] *Zimbabwe's Plunge, Exhausted Nationalism, Neoliberalism and the Search for Social Justice*, Patrick Bond and Masimba Manyanya, The Merlin Press, 2002.



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