

ZIMBABWE

"Growth with Equity"
Policy Statement of Government of Zimbabwe
and correspondence with Ambassador of
United States to Salisbury

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PREFACE

1. The Statement which follows projects the economic objectives and policy measures which the Government of the Republic of Zimbabwe will pursue in the short, medium and long terms. It is directed towards the attainment of a socialist and egalitarian society to which the Government of the Republic of Zimbabwe is committed. At the same time it is set in a framework of a dynamic process responsive to the requirements of time, circumstances and actual situations.

2. The Statement provides a framework for overall sectoral policies and constitutes the policy basis for the first National Development Plan. It seeks to inform the people of Zimbabwe and to enlist their participation and active support in the development process. Finally, it is designed to inform the world at large and potential investors in particular of this country's chosen path of development and priorities and the role of domestic and foreign investment in that development.

INTRODUCTION

3. The Government of the Republic of Zimbabwe, conscious of the basic characteristics of the past and indeed still prevailing socio-economic order of this country, is determined to undertake a vigorous programme for the development of the country and, within it, to pursue and implement policies based on socialist, egalitarian and democratic principles in conditions of rapid economic growth, full employment, price stability, dynamic efficiency in resource allocation and an equitable distribution of the ensuing benefits.

4. Economic exploitation of the majority by the few, the grossly uneven infra-structural and productive development of the rural and urban economy, the lopsided control of the major means of production and distribution, the unbalanced levels of development within and among sectors and the consequent grossly inequitable pattern of income distribution and of benefits to the overwhelming majority of the people of this country, stand as a serious indictment of our Society. So does the imbalance between predominant foreign ownership and control of assets on the one hand and, on the other, limited local participation as also and more especially the past colonial dispossession of land and other economic assets and the consequential impoverishment of the masses of the people; hence the imperative need to re-establish justice and equity in the ownership of land, which should be a common heritage of Zimbabweans of all races.

5. Moreover, past policy and legislation and other Government instruments, especially fiscal and monetary including subsidies and other measures, were designed to maintain a sound economy but an inequitable socio-economic order, while education and manpower policies were generally designed to ensure the existence of cheap unskilled black labour combined with the indiscriminate importation of skills mainly from overseas.

6. These policies hindered local skill formation and full productive employment, especially among blacks. Further, horizontal and vertical population movements were restricted by an elaborate system involving both racial and urban and rural zoning and therefore hindered or distorted the national movement of labour and acquisition of skills.

7. These policies, devices and practices and many other factors too numerous to mention, inevitably led to racial polarization, confrontation, the war of liberation and the consequent loss of life, and the general destruction and disruption of the social and economic infrastructure. With the end of the war and the emergence of a democratic government dedicated to reconciliation, the country has to undertake the task of resettlement and rehabilitation, as well as embarking on a deliberate programme of restructuring and developing the economic and social fabric in order to achieve sustained, balanced and equitable economic growth and development.

8. Government is determined to forge ahead with the task of building a progressive, non-racial and egalitarian society which draws on the energies and

abilities of all its peoples, without regard for their race, colour or creed. However, the restructuring of the economic and social framework of our society is an absolutely essential and imperative economic ingredient of the policy of reconciliation if that policy is to result in genuine and durable peace in our country and is to be conducive to economic development and prosperity for all our people.

9. Above all, recognizing the confidence of all Zimbabweans in the future of their country and their desire to forget the past and build together a new nation, recognizing also the significant achievements already made in this regard, Government is determined to embark on policies and programmes designed to involve fully in the development process the entire people, who are the beginning and the end of society, the very asset of the country and the *raison d'être* of Government.

I. OBJECTIVES

10. In view of the above, Government's primary objectives shall be to—

- (i) establish progressively a society founded on socialist, democratic and egalitarian principles which are inherent in the policies and measures enunciated herein;
- (ii) achieve a sustained high rate of economic growth and speedy development in order to raise incomes and standards of living of all our people and expand productive employment of rural peasants and urban workers, especially the former;
- (iii) develop and restructure the economy in ways which will promote rural development, desired changes in patterns of consumption, technology, exports, etc., and in ways consistent with the most desirable use and conservation of our natural resources and the environment;
- (iv) end imperialist exploitation, and achieve greater and more equitable degree of ownership of natural resources including land; promote participation in, and ownership of, a significant portion of the economy by nationals and the State;
- (v) create and maintain high levels of employment for Zimbabweans in all sectors and at all levels of skill and responsibility, and redress the historical racial imbalance in skilled employment;
- (vi) train, mobilize and utilize fully the country's human resources which are its creative and greatest asset;
- (vii) democratize the work place in all sectors of the economy by, *inter alia*, encouraging worker participation in decision-making at the office and shop floor levels;
- (viii) provide, improve and extend the basic economic and social infrastructure so as to serve adequately the Zimbabwean urban and rural economy;
- (ix) provide, improve and extend the rural economic infrastructure, with particular emphasis on extension of marketing services, credit and agricultural factor input facilities;
- (x) provide, improve and extend social services (including housing, health and education) to lower income groups in the urban and rural areas; and consider possible schemes for social security services where they do not exist, bearing in mind the overall responsibility of the State for the welfare and well-being of its citizens;
- (xi) reform the fiscal and monetary systems in order to achieve greater equity and efficiency; and use fiscal and monetary instruments to achieve price and balance-of-payments stability consistent with high levels of employment;
- (xii) fully exploit opportunities for oil substitution in order to reduce the economy's dependence on external sources and move towards domestic reliance and self-sufficiency in energy;

- (xiii) conserve our natural resources so that production is sustained, replace renewable resources used, exploit our natural resources, especially our non-renewable ones, at rates consistent with the needs of present and future generations of Zimbabweans; and
- (xiv) promote regional co-operation in various spheres especially with our neighbours, as well as contribute to greater international economic co-operation.

As special, urgent national tasks:

- (i) to complete the programme of resettlement and rehabilitation of combatants and of all people displaced during the war;
- (ii) to complete the reconstruction of destroyed and damaged economic and social infrastructure and create a sound spring-board for future growth and development.

II. ECONOMIC POLICY MEASURES, DEVELOPMENT PLAN AND PROGRAMMES

11. The economy has significant levels of distortions due, in part, to past economic policies and the international economic isolation brought about by the misguided and ruinous Unilateral Declaration of Independence (U.D.I.) and the impact of the liberation war which followed. It will, therefore, be long-term Government policy to restructure the economy, and mobilize economic resources and facilitate their efficient allocation in order to achieve balanced economic growth and development.

12. Over the years the economy has failed to absorb the rapidly growing labour force with consequent high and unacceptable levels of unemployment and under-employment. This failure was due, in part, to population pressure and the adoption of inappropriate economic and industrial policies of previous governments. In order to achieve balanced and equitable growth and in order for the economy to create sufficient levels of employment to absorb a rapidly growing labour force, it will be necessary for the economy to grow at an annual average rate of at least 8 per cent. in real terms.

13. In order to realise such high performance, it will be necessary to undertake a serious national exercise for the mobilization of economic, financial, social and manpower resources of Zimbabwe, organised and co-ordinated through the planning process. The country has some experience in short and medium term public sector planning, *albeit* hitherto biased in favour of the already more developed sectors of the economy. With independence, and the redefinition of objectives and problems facing the country, there is need to institute a system of comprehensive planning. Such planning will result in a re-examination of and adjustment in, the levels and range of instruments of economic policy and control.

14. The aim is to formulate and implement a national development plan. In view of the time constraint and the need to develop an adequate planning infrastructure, Government will formulate and implement a three-year transitional plan to be launched in July, 1981. This is necessary in view of the transitional tasks of resettlement and reconstruction and the time needed for the economy to settle down to peacetime conditions.

15. During the period of the transitional plan a more comprehensive system of planning will be operational. A complete population and production census will be carried out. This will provide the necessary information for long-term economic and manpower planning and will constitute a firm basis for the formulation and implementation of an appropriate population policy. Government will make effective and appropriate use of all policy instruments in order to attain its policy objectives.

16. Government policy in rehabilitating and reconstructing the economy and the country's environment will find expression in many spheres. As was indicated in the President's address to the First Parliament, priority lies in resettling those

displaced by the war and those who presently are without, but wish to make a living on, the land either as peasant or as commercial farmers.

17. In this regard, abandoned and under-utilized land is already being assigned for this purpose and, over a period, significantly more land will be acquired for resettlement.

18. An equally important part of Government's programmes will be the rehabilitation of the war-wounded, through training in order to enable them to acquire skills to regain their place in society and, as far as possible, lead a normal and independently productive life. Central to what follows, indeed to the evolution of the new order called for by the people's hard-won freedom and independence, is the efficient use of all the country's resources and the creation of opportunities for all its people.

III. SECTORAL POLICIES

1. Agricultural and Rural Development

19. In the past land was grossly unevenly divided along racial lines, and peasants have been significantly deprived of opportunities for efficient and productive employment of capital and labour in agriculture. They lacked adequate access to credit, extension services and marketing facilities and often received inadequate returns for their produce.

20. Neglect of African agriculture during the past years, coupled with the maldistribution of land and the consequent population pressure and generally poor soils and low rainfalls, over-grazing, and poor land husbandry, in the so-called Tribal Trust Lands, have led to low productivity and unacceptably low *per capita* incomes.

21. The land is a common heritage and no one should enjoy absolute ownership of it. Government will therefore entrust certain rights in the use of land to private individuals or groups of individuals for as long as such trusteeship best serves the national interest. Indeed, landowners share their property with the State, which is the sovereign custodian of the nation's natural assets and the State can restrict the uses and practices that are carried out on that land which are contrary to the national interest.

22. Government will therefore seek to achieve the following objectives in agriculture—

- (i) an acceptable and fair distribution of land ownership and use;
- (ii) a rapid reduction in the levels of absolute poverty in rural areas, together with an accelerated improvement in the standards of living of the rural population;
- (iii) an increase in both land and labour productivity in all forms of agriculture;
- (iv) substantial increase in employment for the rapidly growing labour force;
- (v) achievement and maintenance of food self-sufficiency and regional food security;
- (vi) extension of the role of agriculture as a major foreign exchange earner and a source of inputs to local industry;
- (vii) integration of the two agricultural sectors, viz. commercial and peasant;
- (viii) conservation of land and the environment for future generations; including a programme of conservation awareness;
- (ix) promotion of regional balance in agricultural development; and
- (x) development of human resources in the rural areas to the full potential.

23. These objectives will be pursued through, *inter alia*, the following policies—

- (i) a programme of land reform;

- (ii) mobilization of resources both internal and external to finance land reform and development programmes;
- (iii) reform and expansion of structures of complementary services including agricultural credit, marketing, research, extension and so forth;
- (iv) establishment and promotion of a number of production systems, depending on varying conditions, namely—
 - (a) communal farming and co-operatives;
 - (b) private/family and corporate farms of a variety of sizes; and
 - (c) state farms;
- (v) pursuance of appropriate agricultural pricing policies to achieve the objectives of food self-sufficiency and the extension of the role of agriculture as a significant foreign exchange earner;
- (vi) integration of the agricultural sector by, amongst other ways, resettling a significant number of peasant farmers from overcrowded tribal trust lands;
- (vii) promotion of research on appropriate technology;
- (viii) deployment of various means at its disposal, to ensure that unused and under-utilized land is productively utilized; and
- (ix) development of water resources, elimination of tsetse flies, improvement of conditions of health in all areas, and promotion of research into suitable crops for arid areas.

24. Government is committed to the establishment of co-operatives in productive enterprises and will, therefore, seek to set up training facilities for co-operative personnel so as to ensure democratic, orderly and profitable functioning of co-operative enterprises. Other support activities will be undertaken, such as research, the designing and construction of appropriate technologies and processes for rural production with a view to reducing the burden of labour and rendering work more enjoyable and respectable. Government will promote the establishment of communal and co-operative farms in agriculture, and provide general assistance to ensure their economic viability. In particular, assistance will be given to those in communities which are democratically organized and run, and farms in which local initiative is highest. Even under the individual freehold/leasehold system, there is ample room for selective co-operatives in input procurement, produce marketing, credit, land preparation and production. In this area Government will be building upon the traditional co-operative approach in the Zimbabwe culture in facing up to the technological challenges of tomorrow.

25. Government is already facing up to the challenges of a large part of our population which has been displaced in the past and especially during the recent war. A programme of resettlement has been embarked on, with emphasis on voluntary co-operative arrangements among the peasants so as to facilitate introduction and extension of existing and potential resources and inputs into the rural areas. Voluntary popular participation and democratic procedures, it bears emphasis, will be essential criteria for Government support of co-operatives.

26. In the rural economy of the future, Government foresees the setting up of small and medium scale manufacturing and commercial enterprises around small centres so as to provide productive employment, stem the flow to large towns and raise incomes and living standards in line with Government's decentralization policy. A significant number of such enterprises could be co-operatively owned and run, thereby extending socialist and popular democratic participation in the ownership and management of the nation's resources.

27. Government will explore the possibility of restructuring existing institutions with a view to assembling together an authority which would serve as a planning, co-ordinating and executing agency for land resettlement and development schemes.

28. It should be clear that the transformation of the land system and the redistribution of land are central objectives of Government policy. The mobilization of internal and external resources for purposes of land acquisition, resettlement and development, will be critical to the implementation of the policy.

2. Manufacturing

29. The expansion of this country's manufacturing sector and its linkages with other sectors of the economy have not only allowed a measure of insulation from external disturbances but have provided a substantially diversified base for future expansion and development. Consolidation of the role and contribution of the manufacturing sector to the national economy will need to be made while ensuring that the industry satisfied both domestic and growing export demand.

30. A significant degree of industrialization has taken place in Zimbabwe and today manufacturing contributes 25 per cent. to GDP. This impressive growth in manufacturing did not, however, give rise to an equally impressive rate of growth of employment in manufacturing. Over the period 1954-1975 the average annual rate of growth of employment in manufacturing was only about a third of that of output.

31. The inability of the manufacturing sector to absorb larger numbers of work-seekers was due, in part, to the existence of distortions in the capital and labour market which gave rise to distorted relative costs of factor inputs. At the same time, the failure of past manpower and other policies to increase indigenous skills has resulted in a relative shortage of skilled manpower and, hence, an overpricing of this factor input.

32. While the ability of the manufacturing sector to substitute for imported goods is recognised, the cost structure of this sector could present problems. It follows that if the vast majority of people are in agriculture, such a process might lead to a less equitable distribution of income.

33. The industrial structure which has emerged over the years may not be ideal to meet the new circumstances and demands. In view of the importance of the manufacturing sector there is the need for a well articulated and clearly laid out industrial strategy for Zimbabwe which would ensure, *inter alia*, efficiency, viability and competitiveness in international markets.

34. Aware of, and concerned at, the high cost of goods supplied to the rural and remote areas of the country, Government will seek ways and means of reducing distribution costs of such goods in these areas.

35. In view of the foregoing, Government will seek to achieve the following objectives—

- (i) an expansion of the manufacturing sector to enable it to meet the growing local demand and changes in the pattern of that demand;
- (ii) promote the export earning capacity of the sector;
- (iii) promote further import substitution in areas such as energy, fertilizer production, etc.;
- (iv) training and upgrading staff for higher levels of managerial and skilled positions;
- (v) making more effective and extensive use of local industrial and intermediate inputs;
- (vi) encourage linkages between on the one hand, manufacturing and on the other, peasant agriculture and small and medium scale rural industries;
- (vii) employment expansion through the further development of the sector and greater use of more labour intensive technologies;
- (viii) geographical decentralization of industries.

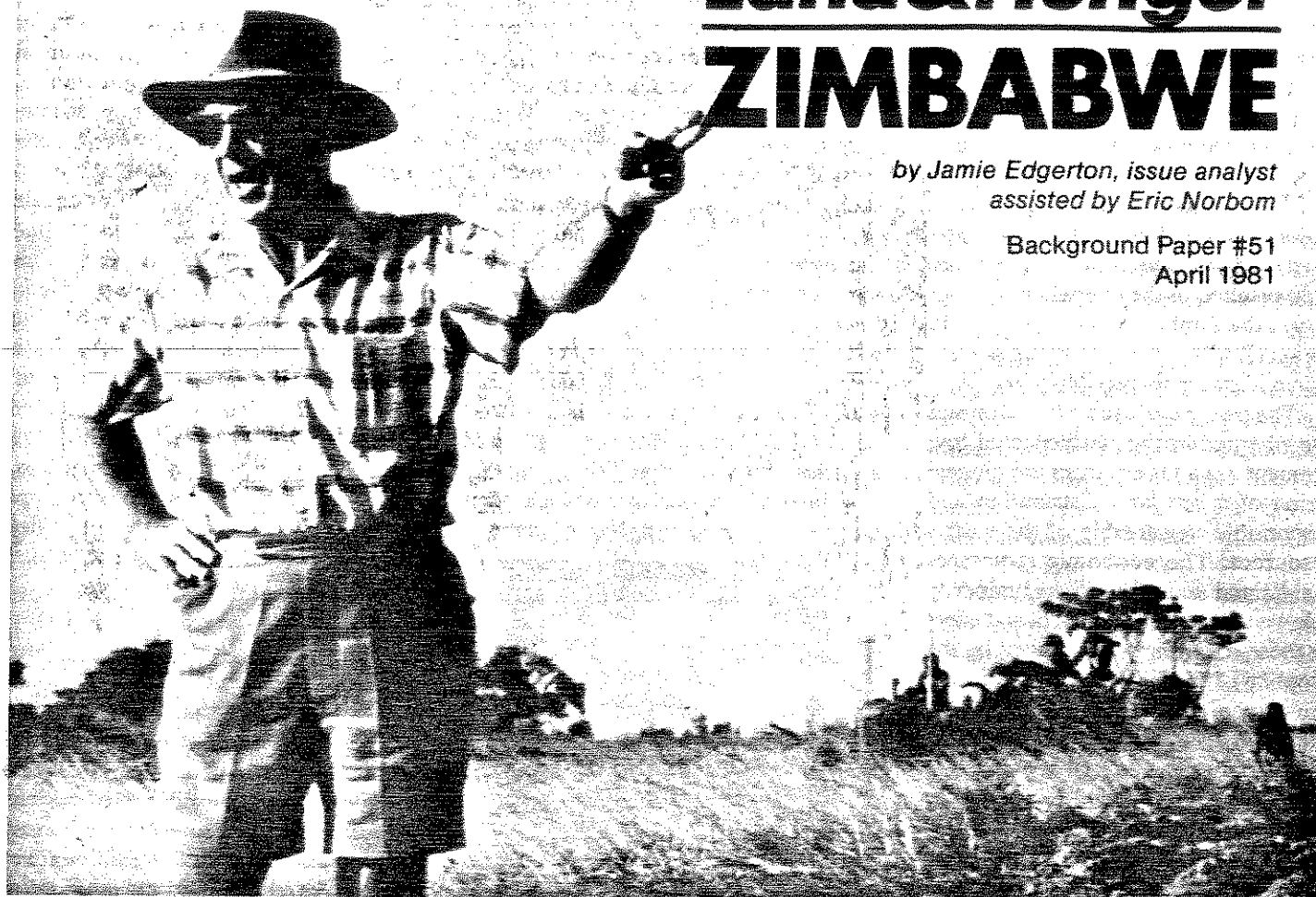
36. In the short term, import controls will be necessary for reasons of balance-of-payments and other considerations and will therefore continue to be applied.

Land & Hunger

ZIMBABWE

by Jamie Edgerton, issue analyst
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Background Paper #51
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white tobacco farmer with his black workers

Land is a volatile subject in Zimbabwe.* A few statistics explain why:
-The average farm owned by whites (of European descent) is 100 times larger than the average plot owned by black Africans.

-The one percent of Zimbabwe farmers who are white own close to half of all the land suitable for cultivation.

Inequalities in land ownership determine the social inequalities which exist in this southern African country. The typical white farmer owns a large piece of high-quality land. To make the farm productive, s/he has access to irrigation, machinery, electricity and labor, low-paid black African workers. The white farmer's crops are not only the basis for the local food market, but are also directed toward export.

The black African farmers who do own land typically have small plots in over-crowded areas. Because the land is deteriorating from overuse, they are seldom able to grow enough to feed their families. The farmers are forced

to hire themselves out to nearby white farmers and accept the low wages that are offered. Women are often left to work the family-owned plots of land while men work for white farmers.

In 1976 the average per capita income for black Africans in all areas of Zimbabwe was \$150, while those living in rural areas averaged only \$40. In that same year the average per capita income for whites was nearly \$8,000, equivalent to the average per capita income in the United States. A Red Cross delegation that visited the country in 1979 found that malnutrition rates among the black

Background Paper #45 published in April 1980, *Land and Hunger Abroad*, provided a global overview of the connections between land ownership and poverty and a case for land reform.

This background paper is one of a series which will explore the link between land and hunger in specific countries.

African people ranged from 13 to 29 percent depending on the area. Infant mortality among whites stands at 17 per 1,000 births compared with 120-220 per 1,000 for black Africans.

Land ownership, along with the wealth, power and well-being it secures, has been a central part of Zimbabwe's long-term struggle for independence.

Colonial conquest of the country began during the 1890s when British forces moving north from South Africa overpowered the black African people in a series of battles and skirmishes. Using a combination of military force and economic pressure, British settlers and foreign companies subsequently began exploiting the area's mineral resources. Later they forcibly removed black Africans from large portions of the best land to make way for their own plantation-style farms.

The country was a British Crown Colony from 1923 until 1965. Under the leadership of Ian Smith, white residents declared unilateral independence in

* formerly called Rhodesia

1965. A lengthy armed struggle between Rhodesian Security Forces and nationalist guerrillas followed. Fought largely over land ownership and the exclusion of black Africans from the political process, this violent struggle led to a military stalemate. A settlement was negotiated at the British-sponsored Lancaster House Conference in December 1979.

The new constitution guaranteed majority rule and internationally-supervised elections. The elections in February 1980 resulted in the overwhelming victory of the Zimbabwe African National Union (ZANU), headed by the present Prime Minister Robert Mugabe.

The patterns of land ownership and use inherited by the newly-elected government are a far cry from the biblical vision of a just land distribution and responsible stewardship of the earth's resources. The economic structures maintained under the former minority rule were comparable in intent and effect to those so strongly denounced by the prophets of the Old Testament. Mugabe drew upon biblical imagery during his March 4, 1980, address to the nation. He committed his government to strive for a more just society: "It is now time to beat our swords into plowshares . . . Forgive others and forget, join hands in a new amity and together as Zimbabweans trample upon racialism, tribalism and regionalism and work hard to reconstruct and rehabilitate our society."

A Colonial Legacy

Decades of unbalanced economic growth and discrimination have led to vast differences in wealth between the racial groups and in different areas of the country. Although the country's 6.8 million people are largely rural, about four-fifths of the white population live in urban areas. This is possible because 95 percent of the population is black and only four percent white.

The lifestyles of average whites in Zimbabwe are markedly different from their black counterparts. Nearly all white households have water, electricity and modern sewage systems. Telephones and refrigerators are common. White families employ an average of two servants to attend to their needs. Unemployment among whites is extremely low and education levels are high. Social security benefits are readily available. Whites

in Zimbabwe generally have lifestyles comparable to those of residents of industrialized nations in the West.

In contrast, approximately two-thirds of the black African people live in severe poverty, on special reserves known as Tribal Trust Lands. Below-subsistence agriculture in these reserve areas forces families to depend on wages earned outside for mere survival. Social services such as health care are severely limited or non-existent. The vast majority of these families have no access to uncontaminated drinking water. Sanitary facilities are very limited. Life for the rest of the black African people is not much better. They live in over-crowded urban slums or on white-owned farms. Most of them have inadequate housing, water supplies and sewage facilities.

Malnutrition among the black African people is common. Ninety percent



of farmworkers' children under five years old are malnourished. The majority of children admitted to a hospital in the capital city were underweight, a sign of current poor nourishment and future ill health.

Prolonged racial discrimination in government policies affecting educational and employment opportunities has also led to substantial wage differences. Although a more equitable system is now being instituted, a black African under minority rule had to accept wages far below those of his/her white co-workers. As of 1979, the overall ratio of average real earnings of white to black Africans was equivalent to \$11 to \$1. The ratio was highest in agriculture, \$25 to \$1; and, lowest in manufacturing, \$7 to \$1.

Overall disease patterns for black Africans and whites closely reflect their

contrasting standards of living. Common diseases among whites are heart disease, cerebrovascular disease and various cancers. This follows the norm of industrialized countries. Black Africans suffer from diseases characteristic of most underdeveloped countries: pneumonia, malaria, measles, malnutrition, meningitis, gastroenteritis, nutritional deficiencies, tuberculosis and tetanus.

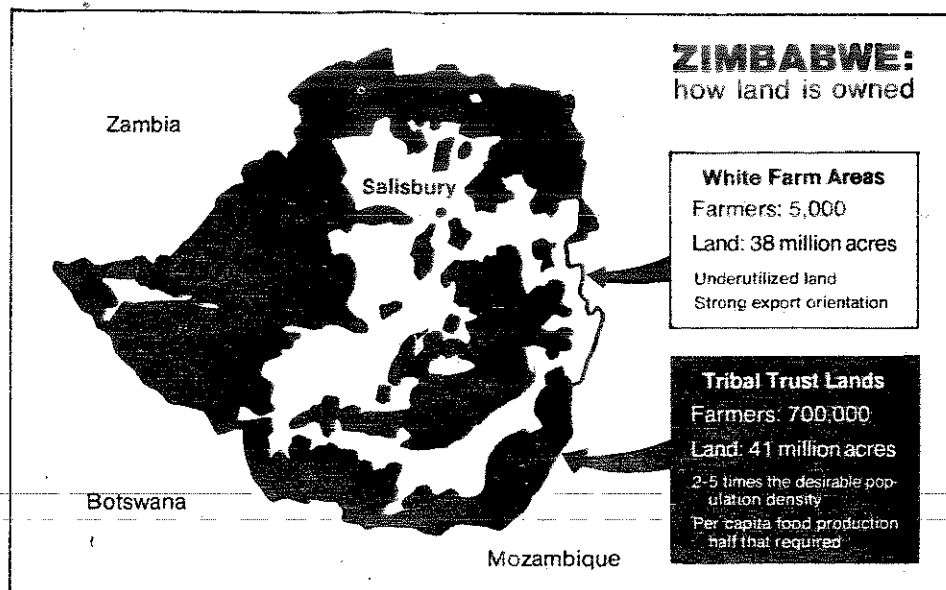
Seven years of military struggle aggravated the already impoverished condition of many black Africans. This is particularly true for those people in rural areas where most of the fighting took place. An estimated 1.3 million people—nearly 20 percent of the population—were displaced. They were forced into "protected villages" or had to flee to neighboring countries or urban areas. Until the returning refugees can be resettled massive numbers of families will depend on relief programs to survive.

Origins of Hunger and Landlessness

Zimbabwe has high levels of natural resources unequalled by any part of tropical Africa of similar size. The country exports considerable amounts of minerals as well as corn, sugar, tobacco and beef. Smaller amounts of cotton, coffee, tea and citrus fruit are exported. Approximately 40 percent of the country is suitable for grazing land.

In pre-colonial times, the Zimbabwean people lived in widely-dispersed villages. Together they owned and worked the surrounding land. Fertility was insured by resting land and rotating crops.

The special reserve areas were created by the British in the 1890s and during the next 70 years a majority of the black African people were moved onto them. Over-crowding the reserve areas led to ecological deterioration. Soon the food produced in the reserve areas was not enough to sustain the families living there. Increasing numbers of black Africans were forced to look for work on the prosperous white-owned farms which were strategically located adjacent to the reserves. White employers were able to pay extremely low wages because these wages were not the reserve residents' sole means of survival. Eventually the number of black African people seeking wage labor



the bottom 43 percent of the white farmers produced only 10 percent. In 1978, an estimated 40 percent of white farmers were operating in deficit. These inefficient white-owned farming operations have survived because of readily available cheap labor and by government assistance in the form of credit, favorable tax structures, drought aid and subsidies.

In direct contrast to the white rural areas, the black African rural areas are generally overpopulated, have poor quality soils, and produce below-subsistence levels of food. A rural development plan published by the former minority rule government in 1979 suggested that the reserve areas were holding 3.5 times as many people as they could maintain. Other estimates of the degree of overpopulation range from twice to five times the desirable density in the worst affected areas.

Over-intensive land use has led to increasingly poor soil fertility and serious overgrazing in range areas. As it now stands, the black African's rural areas carry 80 percent of the rural population and the white rural areas of equal size only 20 percent. With the black African population growing at a rate of 3.6 percent year, more and more marginal land is being cultivated. Per capita food production on reserves has deteriorated to the point that half of the food required must be produced by white farmers.

Great inequalities in land ownership within the reserves compound the already critical land shortage in the black African areas. By 1960, 30 percent of all farmers worked 63 percent of cultivated land. The situation is probably little improved today. Women are among the landless and represent a sizable rural labor force. No national figures of landlessness are available, but estimates put the number of landless adults at just under 50 percent of the people.

Present Strategy/Future Prospects

The newly-elected government has to overcome a number of obstacles before substantial development gains can be made. Major efforts are needed to deal with the damage and dislocation caused by the independence struggle. Racial balance in the civil service is needed. The armed forces of rival

exceeded the needs of the modern white-owned farms. This pushed the wages lower and lower.

A 1930 Land Apportionment Act forced black Africans to move to the reserve areas and formally divided the ownership of all farmland by race. This reclassified black Africans farming in white farming areas as "squatters" and subjected them to legal eviction. The 40 million acres of reserve land were designated for black Africans for communal living. The remaining "commercial land" was assigned for individual ownership. Only 7.5 million acres were set aside for black Africans. Forty-nine million acres, containing the majority of the quality farmland, were reserved for whites only. Internal tension and international pressures mounted over these inequalities. Legislation in 1977 lifted the racial division of commercial land. However this made little practical difference to land ownership and occupation patterns because few black African families could afford the price of the land.

Current Land Patterns

While only one percent of Zimbabwe farmers are white, they own close to one half of the land suitable for cultivation. The average white-owned farm is 100 times as large as the average plot farmed by a black African. These inequalities are compounded by the differing quality of land in areas designated for white and black Africans.

The 5,000 white farmers dominate Zimbabwe's agriculture. They are responsible for more than 90 percent

of the agricultural produce. Although farm sizes vary considerably, the relatively low population density in the white areas signifies large holdings. Nearly half of the total white-owned farming area is composed of farms between 1,000 and 15,000 acres in size. In part because of abandonment when the fighting increased, absentee ownership is common, running as high as 30 to 70 percent of all farms in certain areas where lower rainfall makes production more difficult.

More than two-thirds of white-owned farms are owned by individuals, but a small number of very large companies play a highly significant part in the total agricultural production of these farms.

Two foreign-based companies alone, one British and one South African, together own over two million acres of ranching land. Foreign companies, and a few local interests, have almost total control of sugar production, own the larger citrus estates, and hold major interests in tea, forestry, cattle ranching and agricultural processing. In 1977, the largest agricultural venture in the country, owned by a South African company, farmed 209,950 acres of land, much of which was irrigated and used for sugar production.

Even though the white farm areas produce all of the marketable produce, there are large numbers of under-used and poorly managed white-owned farms. Estimates for the mid-1970s suggested that a mere six percent of the white farmers produced nearly half of the total marketed agricultural output, while

political loyalties must be combined into one national army.

The new government has to contend with a number of varied and strongly entrenched groups, representing different racial, ethnic and economic interests. The country still has heavy economic dependence on South Africa, including a debt of \$800 million and three-fourths of its trade being conducted with or through that country.

The governments's development strategy to date has given primary emphasis to preserving existing production capacity, while introducing reforms to redistribute the surplus generated.

Mugabe's socialist stance has made Western investors cautious. But his moderate economics have left a favorable impression on many of those who expected radical policies.

The government has committed itself to "a mixed economy, with state enterprise and private enterprise co-existing in harmony . . . we are pragmatists. We have seen—and learned from—the mistakes of others. The application of our socialism will be pragmatic and mild." Foreign investment in a number of fields has been welcomed, as long as domestic participation in the enterprise is assured "within a reasonable period of time."

Mugabe has already begun to implement economic and social reforms falling under the broad categories of the "four Rs—reconstruction, resettlement, industrial refurbishment and rehabilitation of the displaced."

Free health care has been instituted for low income people. In an effort to meet long-term needs, free primary education is now available. The number of black African students in the first year of secondary school is expected to quadruple.

The minimum wage has been raised and the government is studying ways to address imbalances in wage and price structures. Sales taxes on necessities that were a burden to low-income families have been removed, while taxes on luxury items have been increased. Programs have been initiated to develop roads and other basic infrastructure in the reserve areas. Efforts are being made to irrigate reserve land and to reduce the population in these areas.

The stark inequalities of land ownership and the social inequalities it rein-

forces are likely to present the greatest challenge to the new government. Growing over-population, landlessness, land deterioration, and increasing poverty exist in reserve areas while land in the commercial farming areas is often under-used. Given these realities, a major program of land redistribution is a high priority for the new government.

The government believes that land redistribution is essential if Zimbabwe's overall development is to proceed on an equitable basis and racial harmony and stability are to be attained. Due to a number of complicating factors, such a goal will be difficult to attain.

By January 1981, the Zimbabwe government had bought 192 white-owned farms covering 948,000 acres and had resettled 1,400 black African families on 321,000 acres. The government's target for the remainder of 1981 is to settle another 4,000 to 6,000 families. As the government develops an efficient resettlement program the land redistribution will be determined not by the availability of land but by the shortage of funds for purchasing it. Under the terms of the constitution negotiated at the Lancaster House Conference, white-owned farmland must be purchased in convertible currency. The constitution also prohibits compulsory acquisition of land. This means no one is required to sell land to the government and that the government must compete with white farmers and companies eager to expand their holdings.

Related Bible Passages

God created the heavens and stretched them out; he fashioned the earth and all that lives there; he gave life and breath to all its people. And now the Lord God says to his servant, "I, the Lord, have called you and given you power to see that justice is done on earth. Through you I will make a covenant with all peoples; through you I will bring light to the nations."
—Isaiah 42:5-6.

"You are doomed! You make unjust laws that oppress my people. That is how you keep the poor from having their rights and from getting justice. That is how you take the property that belongs to widows and orphans." —Isaiah 10:1-2.

The Sovereign Lord said, "You have sinned too long, you rulers of Israel! Stop your violence and oppression. Do what is right and just. You must never again drive my people off their land. I the Lord God, am telling you this."
—Ezekiel 45:9

(Scripture references from Today's English Version Bible, copyright American Bible Society, 1976.)

The land redistribution program will therefore only be able to proceed at a pace determined by the availability of foreign funds for land purchases. Aid funds for this purpose from donor countries have so far been well below expectations raised at the Lancaster House Conference. General economic assistance has also been disappointingly low to date. With a large budget deficit projected for 1980-81, the government has very limited opportunity to acquire the necessary foreign funds to compensate white farmers and at the same time meet the expectations of rural black Africans for an improved standard of living and farmland.

Mugabe has shown himself to be acutely aware of both the colonial economy that his country inherited at independence and the harsh realities and constraints in achieving balanced social and economic development.

The newly independent nation is faced with an extraordinarily difficult task: to restore the war-torn economy, to reconcile deep-seated racial, ethnic and economic divisions; and to introduce the much-needed social reforms which inspired the long and costly struggle for majority rule and independence.

The extent to which these government efforts succeed or fail will profoundly influence the future of race relations in neighboring countries and the general stability of the whole southern African region.

Further Reading

1. *To Be Equal Or To Be Rich, The Economist*, London, March 29, 1980, pp. 57-58. This article on land issues in Zimbabwe is one of several country case studies included in a Land and Hunger Reader, available from Bread for the World. Cost: \$6.
2. *The Land Problem in Rhodesia—Alternatives for the Future*, R.C. Riddell, Mambo Press, 1978.
3. *From Rhodesia to Zimbabwe—The Struggle for Health*, Booklet No. 7, Catholic Institute for International Relations, London, U.K. 1979.



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