



The Zimbabwe situation and Civil Society the present, the near past and near future

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PART I

THIS RECENT PRESENT

Where do we stand in Zimbabwe?

Some SOCIAL indicators of the tragic situation

- Officially 4 000+ deaths from cholera, and 80 000+ cases (Tsvangirai recently said this could be a “dramatic underestimation”)
 - Water, sanitation, education and health structures have basically collapsed. *Population with access to clean water 23 % (2008)*
 - Widespread undernutrition and hunger – 7 out of roughly 10 millions is said to be *in need* of food relief (not necessarily receiving enough, if at all).
 - 80+ percent in EXTREME poverty, while 90+ in total poverty.
 - 90+ formally unemployed.
- compared with previous periods, this represents a total meltdown for a country not even at war.

Some ECONOMIC indicators of the tragic situation

- The production size of the economy, Gross Domestic Product (GDP) has declined on average by - 6% over the past 11 years.
 - GDP is currently (2009) less than half the size in 1997.
 - The GDP is about 4,0 billion currently (2009)
 - The external debt (ED) is about 5,0 billion (2009)
 - The industry is estimated to work at about 10-20% of its capacity (2008).
 - The price level is twice the level of South Africa, thus Zimbabwe is one of the most expensive countries in the world (particularly second half of 2008).
- **again**, compared with previous periods, this represents a total meltdown for a country not even at war.

Some *more* ECONOMIC indicators

- There is no local currency (ZWD – zimbabwe dollars) in circulation - a complete dollarised economy (higher degree the longer into 2008).
- At the end of 2008 inflation where astronomical, not even Gono could print bills and slash zeros at that speed. Three types (2008):

Cash ZWD: 16 000 000 000 000 000+ % (*more than 16 trillions*)

Electronic ZWD: 200 000 000 000 000 000 000 000++ %

(probably much more than 200 sextillion)

Cash USD: 100+ % (*more than 100*)

- Roughly three different markets; one elitist (ca 0,5 million people), one for the masses (ca 9m), and one intersecting “middle class” (0,5m).
- Import-based economy (money outflows, particularly to SA).

PART II

THIS RECENT PAST

How the **** did we get here?

(a swift overview)

Unbelievable economic policies

(and vast difference between good policies and their implementation)

- Crony, looting and extracting economy
- Price controls lead to looting
- Unrealistic prices of public services
- Parallel and illegal markets
- Non-efficiency in the public sector
- Repressive state machinery
- Selective (elite) subsidations
- Etc. (especially the unbelievable lack of empathy)

...leading to continuous decline in:

→ Confidence in the economy (and its future)

→ The value of the currency (ZWD)

→ The production

→ Exports

→ Formal employment

→ Availability of goods and services

→ Domestic and foreign investments

→ Etc.

...in parallel with a “colonisation process”

→ The most obvious: stealth of the presidency!

→ A systematic cleptoeconomy;

one example: the killing of “illegal” diamond miners.

→ A systematic lying/rhetoric state propaganda; displaying “fair” policies, for instance low prices of basic goods, but in reality with very few beneficiaries among those said to targeted.

“Illegal” sanctions another example of lies...

...while the world watched

- The sanctions fitted their anti-West rhetoric, while the sanctions did little to stop them looting the country. On the contrary - it pushed them to more aggressive and desperate tactics. This, while the West looked as if they are in solidarity with ordinary zimbabweans. In reality, they could not tolerate

- • Mugabes disrespect of “white” property right and the bebenefits that came with it.

- • * Neighbouring countries did not care much, since they where benefitting from Zimbabwes plunge, for instance supplying the markets that Zimbabwe had before.



PART III

THE NEAR FUTURE

What should be done,
but what can we expect?


(another swift overview)






CONFIDENCE

The key for a better Zimbabwe

- So far, this fragile unity government does not match near the challenges the country and its citizens bear.
 - Hopefully, confidence will continuously build, despite or because of the recent events...
 - If so...
- 



The key will open the door but
GOOD POLICIES
will arrange the house in order

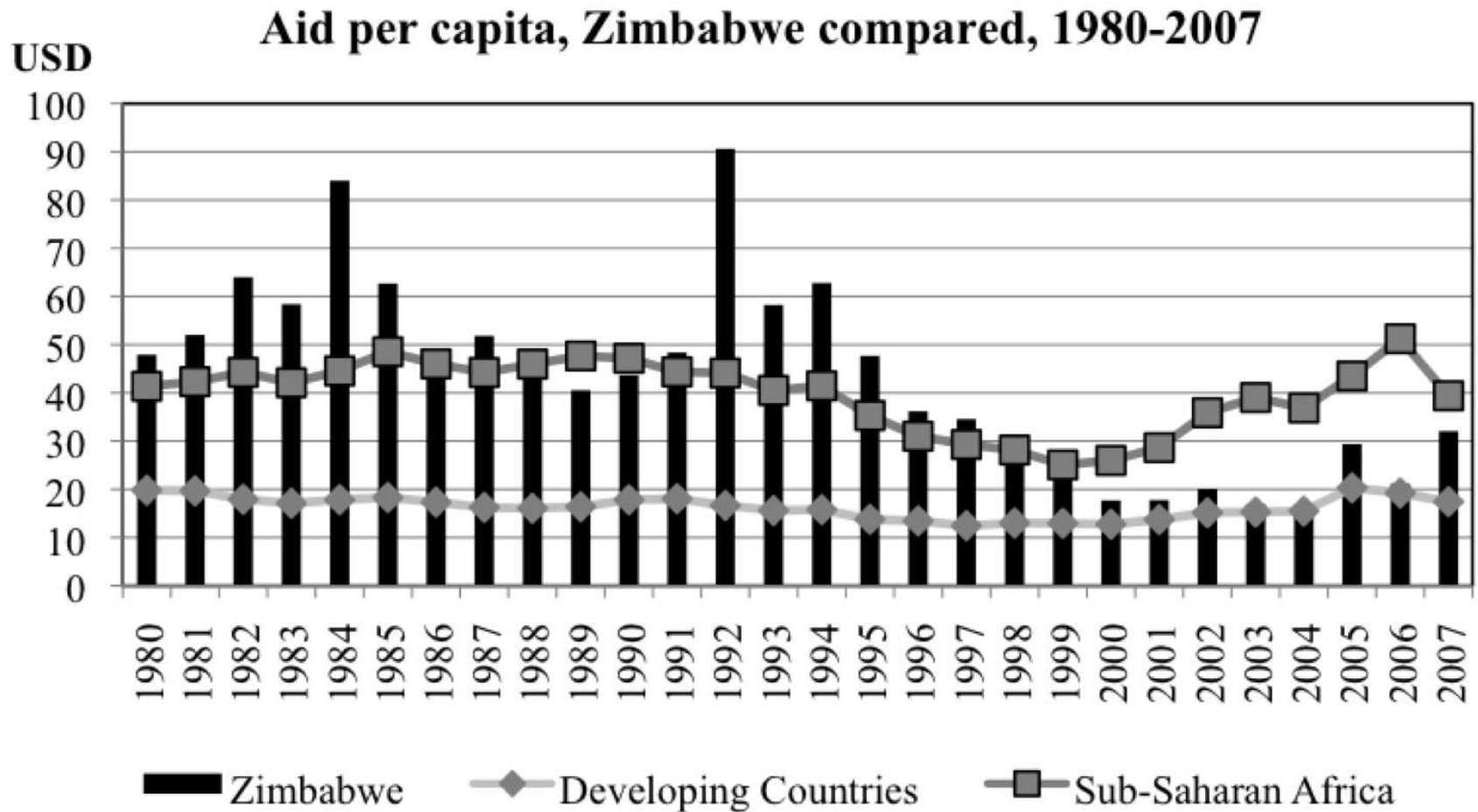
- DEVELOPMENT FROM THE GROUND UP, contrary to neoliberal policies which focus on the macroeconomic make-up for the wealthy. Freeing and opening up an economy benefits the resource-rich, while the resource-poor (people in poverty) must struggle extremely to meet basic demands (as explicitly evidenced by post-apartheid SA and warned by Steve Biko)
 - In essence focus on the basic needs; water distribution, food production, health care systems, necessary infrastructure, education systems, judiciary laws and enforcement that respect Human rights.
 - While implementing these, there will be: employment creation and productivity, while building for further development needs...
 - Make sure all the natural, technical, and human resources of Zimbabwe is utilised **for Zimbabweans**.



...policies need **RESOURCES** to implement

- **Public economy**, i.e. taxes, parastatals, mining and other production related sources (like controlling the distribution chain).
 - **Donor money?** - yes, for immediate needs, but in parallel social infrastructures and regulations should be implemented by the government (not donors). Aid should go to watch dogs of social delivery (like ZIMCODD)
 - **Domestic and foreign investments** (of quality)
 - **Loans? IFIs?** Now, $ED > GDP$. More loans would make the difference bigger, particularly since it is likely that $ED \text{ growth} > GDP \text{ growth}$. Alternative for the ED; *default* or at least *freeze debt service*.
- *Either way, make sure all new debt is **invested** for sustainable development which is able to lift up people out of poverty, and make sure all new resource flows, i.e. aid is **utilised** for the people in need.*

...the flow of aid



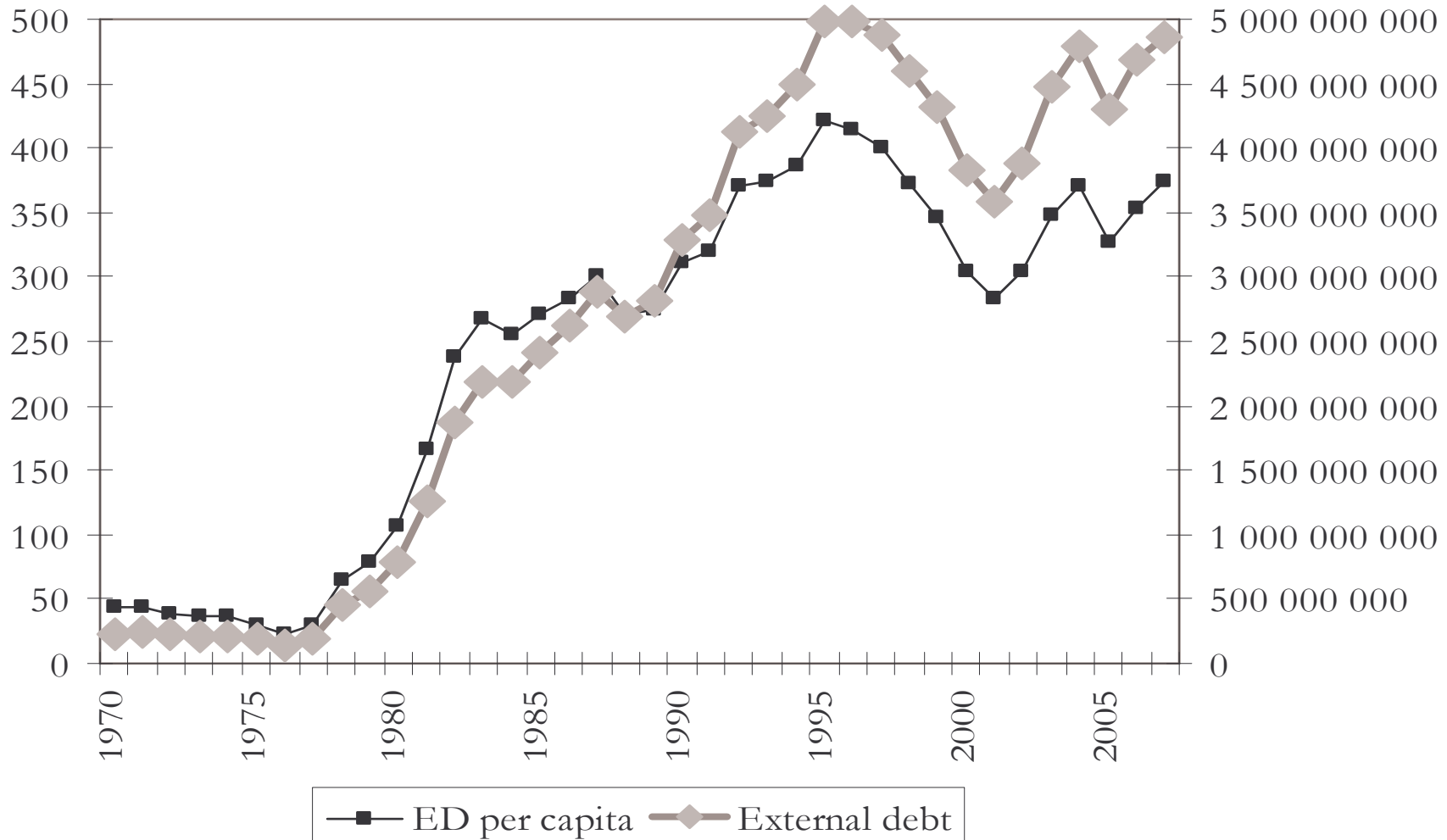


...the dangers of aid

- What are donors' intentions?
- Who benefits most from aid?
- What are donors' consumption patterns?
- What are their finance/administration patterns?
- What are the dependence/control/power aspects?
- Are aid flows hindering internal developments?
- Which groups in respective society benefits the most?
- **How much is aid adding to debt accumulation?**

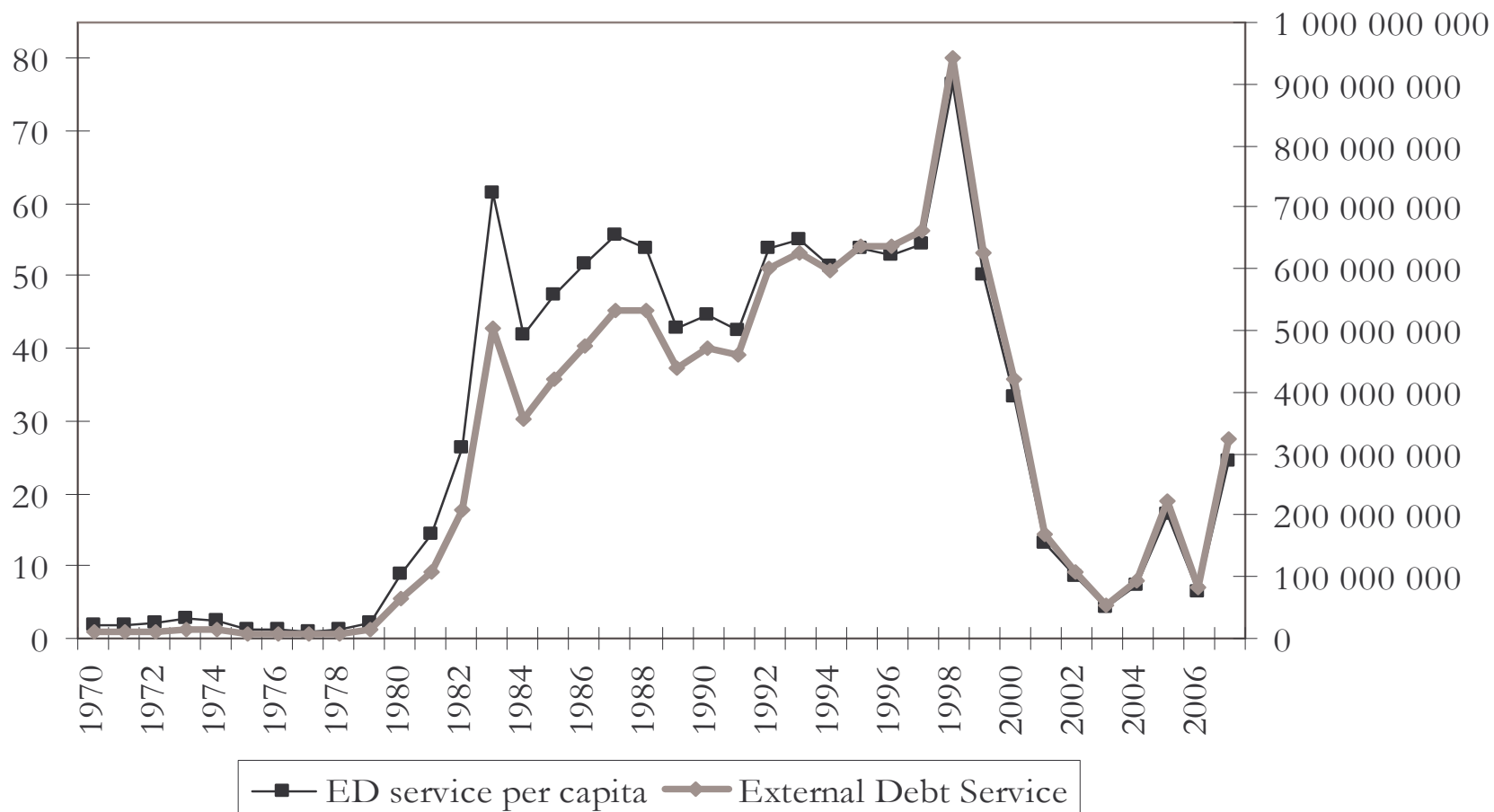
...the accumulation of external debt

Diagram 10: Per capita and total external debt (USD), 1970-2007



...the outflow of debt service

Diagram 12: Per capita and total external debt service (USD), 1970-2007

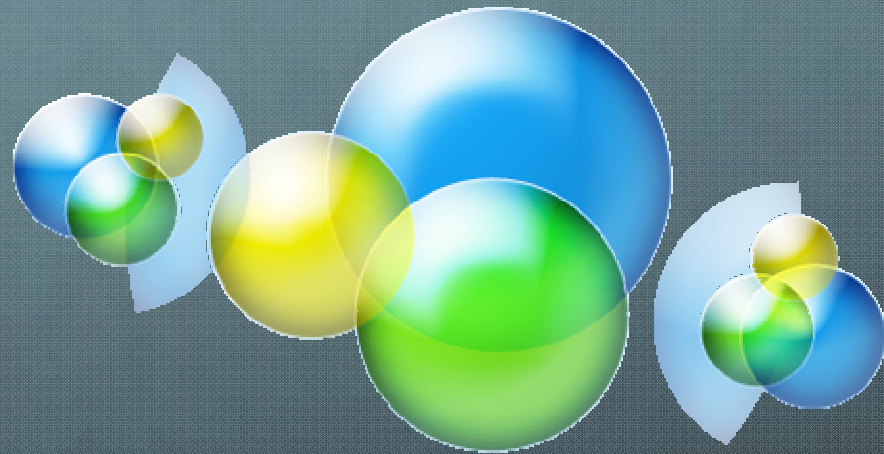




CHALLENGES with world order, confidence, policies, resource management gives:

- **REALISTIC 2009/10**
- -halfway, turbulent politics and confidence creation
- -neoliberal policies-more IFI loans-more debt service
- -dual currency systems
- -stagnant inflation
- -little production increase and employment creation, thus little tax inflows
- -poverty levels still around 90%, although immediate suffering eased, with stagnant cholera cases and deaths.

AFTER about a year: ZANU elitist will attempt to repress and crush MDC out-of-the way (since they are no longer needed in their future plans) just in time for fresh elections.



PART IV

**CIVIL SOCIETY response to all this
(a swift overview from an out/insider)**

THE CIVIL SOCIETY


crippling problems with:

- 🌐 - FEA; repressive atmosphere with possible violent sanctions
- 🌐 - illegal status with most gathering and information sharing.
- 🌐 - financing the masses to participate to meetings, and/or (un)civil actions
- 🌐 - mobilization for a shared agenda
- 🌐 - relevance to the political and economic conditions
- 🌐 - elitist tendencies and beneficiaries
- 🌐 - operational (practical) challenges; with hyperinflation and forceful illegal operations, i.e.. parallel exchange rates
- 🌐 - staff retention
- 🌐 - difficult to retain qualified and experienced staff members and activists
- 🌐 - donor dependency - controls and huge administration time

THE CIVIL SOCIETY

Overall problem:

 Too much talk, little walk

 exceptions; WOZA,
PTUZ, + in lesser degree
NCA, RoHR youths,
ZCTU

THE CIVIL SOCIETY

What should they do?

Well....

THE CIVIL SOCIETY

What should they do?

At least, learn from the
past experience...

THE CIVIL SOCIETY

What should they do?

Utilize this “half/half” window of opportunity of a unity government;

- Step up policy and advocacy,
- Strengthen individual organizations and each other,
- Strengthen democratic structures in society & within political parties.
- Capacity-build the masses on their rights.
- Be a watch-dog of social delivery.
- *IN GENERALL; strengthen forces so that looting elitists does not takeover fully again (as I think they plan to).*

THE CIVIL SOCIETY

Easier said than done...

The challenges are
enormous...

THE CIVIL SOCIETY

...but so are the potential.

It is possible to push to
embark on sort of a
virtuous circle, instead of
the *vicious* circle
Zimbabwe was within.



THANK YOU!

Lets work together!