# WHICH WAY FOR ZIMBABWE: DEVELOPMENT DILEMMAS AND PROSPECTS

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## ABSTRACT

Zimbabwe, Africa's newest nation, achieved its independence in 1980. Since then, radically conflicting images of what is occurring in Zimbabwe have been presented in both academic and popular media. This paper is an effort to discern some of the important trends and conflicts in contemporary Zimbabwe and to suggest both their determinants and possible future direction. Using material drawn from government documents, economic and budgetary statistics and first-hand observation, the reason why Zimbabwe has not followed a more revolutionary development strategy is explained. The way in which the new regime's development strategy has affected the evolution of Zimbabwe's economy and politics since independence is then discussed. Finally, the basic tensions within the development strategy are examined, and whether or not these tensions will remain creative rather than destructive, are explored.

## RESUME

Le Zimbabwe, la plus nouvelle nation africaine, devint indépendant en 1980. Depuis lors, sont présentées en milieux académiques et populaires des idées fort contradictoires concernant ce qui se passe au Zimbabwe. Cette étude vise à définir quelques tendances et conflits importants au Zimbabwe actuel, et à émettre des hypothèses concernant à la fois leurs facteurs explicatifs et leur direction éventuelle. La raison pour laquelle le développement du Zimbabwe ne se réalise pas d'une manière plus révolutionnaire s'explique à travers des extraits tirés des documents gouvernementaux, des statistiques économiques et budgétaires, et des observations directes. Ensuite, seront discutés les effets de la strategie de développement du nouveau régime sur l'économie et la politique zimbabwéennes depuis l'indépendance. Finalement, seront examinées les tensions fondamentales au sein du programme de développement. Sera fait un effort de déterminer si ces tensions continuent d'exercer une influence positive, et non négative, sur le développement.

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# INTRODUCTION

Events in Zimbabwe's first three years of independence have lived up to neither the overly optimistic hopes of left-wing observers for socialist transformation nor the pessimistic fears of right-wing observers for overall disarray and anti-Westernism. But what is the status of the Zimbabwean experiment, and where is it heading? Radically conflicting images of contemporary Zimbabwe are continually presented by both media and academic observers. For example, informed newspaper readers in the first half of 1983 received the clear message that Zimbabwe was heading down the "slippery slope" of political unrest, economic demise, growing authoritarianism and general decline that has been the fate of so many African nations in the past decade. Yet, at the same time, the Deputy Chief of Mission at the U.S. Embassy in Harare, Jeffrey Davidow, was writing in the prestigious journal Foreign Policy (1982) that, "Zimbabwe is a success." How to reconcile these conflicting images? How to gain a general understanding of what is transpiring in contemporary Zimbabwe?

Zimbabwe is a dialectician's dream. Perhaps the most recurring and important dichotomy is that between the rhetoric of socialist transformation that monopolizes all branches of the media and the reality of the continued presence, dominance, and indeed, vitality of the inherited capitalist economy. If the old Rhodesia is dead, its spirit (as African tradition would suggest) wields continuing influence. The government's goals and policies, especially at the programmatic level, reflect a serious effort to grapple with the dichotomy of its settler colonial inheritance and its own socialist vision: generating economic growth while creating societal equity; encouraging significant change while retaining political stability; strengthening state capacity while encouraging private initiative; and solidifying political control while encouraging popular participation.

Zimbabwe's foreign policy reflects a similar effort to balance partially conflicting goals: providing leadership in the struggle against South African apartheid and regional destabilization actions without endangering the economic links to South Africa that, at least in the short run, are necessary for Zimbabwe's economic sustenance; balancing the goals of economic nationalism and desires for increasing self-sufficiency with the regional economic integration designs of the Southern African Development

Coordinating Council (SADCC). If Robert Mugabe's Zimbabwe is committed to socialism, the road it has chosen to follow is an unusual one, combining the incentives of private enterprise and reliance on foreign investment, with erecting a social welfare state and moving gradually towards a government-dominated economy.

The timing of Zimbabwean independence has given special significance to the question of development strategy in Zimbabwe. Beginning in the late 1970's, the African continent has faced an increasingly severe economic crisis. The World Bank's Accelerated Development in Sub-Saharan Africa (1981) describes this crisis:

> Output per person rose more slowly in Sub-Saharan Africa than in any other part of the world, particularly in the 1970's, and it rose more slowly in the 1970's than in the 1960's...The tragedy of this slow growth in the African setting is that incomes are so low and access to basic services so limited...Now, against the backdrop of global recession, the outlook...especially for the Sub-Saharan region--is grim.

This economic crisis has struck countries of widely differing ideologies, resource bases, and development strategies. It has provoked a new quest for relevant programs and policies from both African governments and the international development community.[1] Zimbabwean independence, then, coincided with a continent-wide grappling with the issue of how to develop strategies to reverse the demise of Africa's economies.

Albert Hirschman has written that the key to successful development lies in the capacity to maintain a creative (if tension-filled) balance between the entrepreneurial elements that provide the impetus for economic growth and popular pressures for greater equity that bring broadened welfare and political legitimacy and goodwill. What is needed, according to Hirschman (1981), is: (1) the creation of a positive sum outlook among political forces representing both entrepreneurship and redistribution, a perception that a gain to one isn't necessarily a loss to the other; and (2) the institutionalization of both into the political process. In the contemporary Third World, few countries have achieved this balance. While the forces for growth have been institutionalized in Latin America; equity forces there are generally weak. In Africa, the balance tends, with few exceptions to be in the other direction. (In some African countries, neither growth nor equity forces are effectively institutionalized.) The development strategy that has thus far been articulated and implemented by the Zimbabwean government is informed by a Hirschman-style approach. In this analysis, I will focus on that strategy, looking at what its main components are, what forces lie behind it, what its short-term results have been, and where it might be heading. A useful place to begin is by looking at the discussions concerning Zimbabwe's development strategy that occurred before independence.

## PREINDEPENDENCE DEVELOPMENT STRATEGY THINKING

It is unlikely that any newly independent country received as much advice as Zimbabwe did on how it should go about the task of economic development.[2] The literature generated in the preindependence period tended to present Zimbabwe's future as lying in one of two mutually exclusive directions. It was felt that either: (1) Zimbabwe could follow a reformist strategy that was fundamentally oriented towards building on the existing economic structure, seeking to make it more equitable -- Michael Bratton (1977) warned against this approach, seeing in it the negative outcome of a "Kenya-like" Zimbabwe, while Elliot Berg (1980) argued in favor of this approach, seeing in it the best possible mix of growth and redistribution -- or (2) Zimbabwe could follow a radical strategy that actively sought more thoroughgoing change, giving priority to redistribution of assets, transforming patterns of production and consumption, and establishing a nationally integrated economy with lower levels of external dependence (Bratton favored this approach, while Berg warned against it).

The "reformist" strategy included the following basic elements:

(1) The engine of growth of the economy would continue to be the modern capitalist sector, with manufacturing and mining basically retaining its present organization.

(2) Within agriculture, the highly productive areas of the commercial farming (white) sector would be retained, with substantial reallocation of land to blacks. African small-holder production, both in the resettlement areas and in the formal Tribal Trust Lands (now called the Communal Lands), would be encouraged to supplement the commercial farms.

(3) The Zimbabwe economy would remain broadly "open". Emphasis would be placed on maximizing exports in order to generate the resources needed to pay for the rapidly increasing levels of

imports that an expanding economy would demand. Similarly, private foreign investment would also be encouraged.

(4) There would be a substantial increase in the provision of basic services (water, education, health care, electricity, roads) to the mass of black Zimbabweans who had been denied access to these services under the Rhodesian regime.

(5) The state's role in guiding the development process would expand substantially. A new administrative structure would have to be built. Substantial organizational capacity would have to be put into basic rehabilitation and reconstruction following the end of the war. An infrastructure would have to be created for generating African agricultural development and integrating it into the commercial economy. The relationship with the private sector, especially transnational corporations, would have to be renegotiated.

(6) While the role of the state was radically expanded, the basic management of resources, and allocation and mobilization of productive factors would be determined by the market. In general, the relationship between private and public spheres would be determined on a pragmatic, nonideological basis.

Proponents of the "reformist" strategy based their argument on two basic points -- the strength and flexibility of the inherited economy, and the risks and costs associated with the alternative "radical" strategy. Proponents of the "reformist" strategy cited the fact that between 1945 and 1975, the Rhodesian economy was one of the fastest growing in the world. The results of this thirty-year period of sustained growth was an economic structure virtually unique in Africa: (1) a largely self-sufficient agricultural sector, with huge export potential; (2) an industrial sector generating a quarter of GNP and producing over 6,000 different commodities for domestic consumption; (3) very large absorption of adult males in wage employment in the modern sector; and (4) a highly diversified set of exports including both agricultural goods (tobacco, wheat, sugar, maize, beef), minerals (gold, chrome, nickel, copper, tin, asbestos) and manufactured goods of a wide variety.

The record of the Rhodesian economy under the impact of sanctions -- its capacity to shift quickly from the production of one commodity to another -- was also seen by proponents of the "reformist" strategy to argue for retention of the basics of the inherited structure. This flexibility would again be needed in the new context of majority rule. Finally, "reformist" proponents argued that the very racism and inequality that made Rhodesia perhaps the most unequal society in the world would create a huge scope for redistribution under a changed political regime, thus generating increases in African incomes and welfare, even in the absence of accelerated growth. They pointed to the very substantial redistribution that occurred in Kenya, another former settler colony, in the years following independence in 1963, despite the initial sluggishness of the Kenyan economy.

Critics of the "reformist" model were less precise about the "radical" alternative to what they felt would be the inevitable neocolonization of Zimbabwe, should the "reformist" model be implemented. The proponents of the "radical" strategy argued that the "reformist" alternative would leave too many remnants of past oppression; that an open economy would accentuate dependence and perhaps even lead to a reversal of some of the positive economic outcomes of the enforced isolation of the UDI period; and that a continued heavy reliance on exports would leave Zimbabwe in a politically awkward and economically vulnerable position vis-a-vis South Africa. Their strongest disagreement with the "reformist" perspective concerned the capacity of the inherited economy to be utilized for the benefit of the African majority in Zimbabwe. Howard Simson (1979) of the Scandinavian Institute of African Studies, a proponent of the "radical" alternative, wrote that:

> the existing capitalist structure is heading towards "dualism" rather than "unification". Despite the impressive growth performance of the economy, it is failing to absorb the potential labor force and is leading to the exclusion and impoverishment of the vast majority of the African population...It is generally thought that only major structural changes in the present economic system could reverse the tendency toward the development of underdevelopment in Zimbabwe.

Programmatically, the "radical" strategy that was proposed for the future government before independence included the following elements:

(1) The key question to be faced in majority-ruled Zimbabwe was the effective implementation of a large-scale land reform, both to end the extremely overcrowded conditions that exist in the African rural areas and to redress the main complaint of the African population that was at the root of Zimbabwean nationalism -- the

alienation of African land by European settlers. In the preindependence period, proponents of the "radical" strategy saw land redistribution as the first stage in the creation of a communal rural socialism to replace the commercial farm sector.

(2) The historical bias favoring the modern sector over the peasant sector in the allocation of development resources needs to be reversed. This would serve both to reduce poverty and satisfy basic human needs, and to create productive employment opportunities in the rural areas minimizing both rural-urban migration and the potential of large-scale unemployment.

(3) Zimbabwe's dependence on the international economy was to be reduced as much as possible. Government policy would be directed towards creating a nationally integrated economy based on "self-reliance". Especially important in this was minimizing economic ties with the Republic of South Africa.

(4) The new Zimbabwe should not be an "open" economy. Export production should not be a top priority, and the government should cast a very critical eye at foreign private investment and avoid becoming heavily involved with international financial institutions such as the International Monetary Fund.

(5) The state should take on the decisive role of directing the development process. Not only should there be a massive increase in government provision of basic services, but the public sector should be the principal agent for the mobilization, allocation and management of development resources as a key component of socialist transformation.

Proponents of both "reformist" and "radical" development strategies realized that the question of development strategy is never one of simple choice, that political factors play a significant role in determining outcomes of strategy. Those favoring the "radical" strategy felt that its implementation would be predicated on a regime dominated by the Zimbabwe Africa National Union (ZANU).[3] In fact, their entire project was in many ways an effort to give programmatic muscle and fiber to the bones of ZANU's socialist commitment and rhetoric. On the other hand, proponents of the "reformist" strategy felt that their alternative would offer opportunities and benefits for any political regime, but feared that ideological rigidity and preconceptions might preclude it from being seriously considered by a ZANU regime.

As it turned out, the question of development strategy has been infinitely more complex than a choice between "reformist" and "radical" alternatives. The preindependence debate about Zimbabwe's future development strategy served a purpose by laying out various options, and delineating some of the costs and benefits involved. But it is not particularly helpful, for three reasons, in understanding how and why the development strategy has evolved in the first three years of Zimbabwean independence. First, in important ways, the distinction between the two strategies (especially in terms of policies available to a newly independent government in the short-term) was artificial. Both strategies agreed on the need for: 1) large-scale land redistribution; 2) substantial financial and organizational commitment to rehabilitation and reconstruction of war-damaged facilities; 3) a shift in resource allocation towards the peasant sector to enable it to be integrated into the productive economy; 4) rapid expansion in the provision of basic services to black Zimbabweans; 5) a large-scale program of education and skills-upgrading to enable Africans to contribute more fully to the country's economy. Second, both the "radical" and the "reformist" strategies tended to see development issues in too narrowly economic terms. In fact, the content of development strategy has also been vitally concerned with the nature of state power and how it is to be utilized in the development process. The preindependence discussion, while not completely neglecting this, gave it too little weight. Finally, there is a danger that development strategy be thought of as more coherent and integrated than it actually is. Inevitably, specific issue-areas become foci of political conflict in a way that makes them partially independent of broader overall strategy.

## THE TRANSITIONAL DEVELOPMENT STRATEGY

In the months following independence in April 1980, as the new Government of Zimbabwe began to articulate its transitional development strategy, it presented an odd dichotomy to observers of the African scene. On the one hand, the ZANU Government reiterated its long-standing commitment to socialism, both in its preindependence election manifesto and in its first major development policy document, Growth With Equity, issued in February of

1981. On the other hand, the government eschewed most of the policy initiatives that distinguished the "radical" development strategy from its "reformist" alternative and expressed an affinity for Kenya-style accommodation as opposed to the radical transformationist policies followed immediately after independence in Mozambique. On the key issue of whether the inherited economy could be utilized to build a new majority-ruled Zimbabwe, the Mugabe government -- while accepting many of the critical observations that the radical proponents made -- decided that in the short run it had no choice but to work within the inherited framework. The ZANU leadership sought the confidence of both white settlers and foreign capital in order to sustain political and economic stability, and to generate resources that the new regime could then tap in order to implement its redistribution policies. Thus, the Zimbabwe government has consistently expressed the belief that the inherited economic structures, while certainly creating constraints, also provide opportunities that can and should be harnessed in the drive for development, and even for socialism.

Concomitant with these decisions, Prime Minister Mugabe inaugurated the period of the politics of accommodation in Zimbabwe. Instead of treating his supporters as "victors" and opponents as "vanquished", he attempted to build the broadest effective coalition possible, including all those willing to accept the authority of the new government and willing to participate in the continued economic development of the country. The disparate nature of this coalition created an ongoing need for Prime Minister Mugabe to walk a political tightrope, but also created the possibility for expanding leadership discretion by playing off the ends against the middle and against each other.

For their development strategy, Prime Minister Mugabe and the ZANU government articulated a transitional program that was made up of the following five major components: 1) to maintain overall economic performance and accelerate the pace of economic growth; 2) to redistribute existing resources through rapid expansion of basic services and increases in African wages; 3) to introduce structural reforms in order to give the government some influence over the "commanding heights" of the economy; 4) to break down all vestiges of racial discrimination, fully integrating Africans into all sectors of Zimbabwe society; and 5) to consolidate both effective control over the instruments of the state and to expand ZANU's authority in national affairs.

The specific economic objectives of the development strategy were first outlined in Growth With Equity (1981a):

- "a high rate of economic growth...to raise incomes and...expand employment";
- "restructure the economy in ways which will promote rural development";
- "achieve greater and more equitable degree of ownership of natural resource";
- "promote participation in and ownership of, a significant portion of the economy by the nation and the state";
- "improve basic economic infrastructure";
- "improve and extend social services to lower income groups";
- "reform the fiscal and monetary systems in order to achieve greater equity and efficiency";
- "fully exploit opportunities for oil substitution";
- "promote regional cooperation in various spheres with our neighbors."

Broadly speaking, the transitional development strategy reflected the conflicting pressures that buffeted the newly independent Zimbabwe government. On the one hand, the ZANU government had been catapulted to power on the rising expectations of both the urban and rural poor, and needed to respond to those expectations or forfeit its political supremacy. The rapid demise of Bishop Muzorewa's political fortunes, after he failed to meet popular expectations for ending the war and breaking down the ingrained patterns of Rhodesian racial discrimination, offered a stark reminder of the potential costs to ZANU of failing at least to begin to meet popular expectations of change. On the other hand, the ownership of the vast majority of the country's wealth, and the control of production and distribution in the economy was in the hands of local Europeans and foreign corporations. The new government found itself in the position of having to try to provide something for everyone, or pay a high cost for not doing so. ZANU saw little choice but to attempt to reconcile black advancement with the retention of the confidence of both local whites and foreign capital. In some ways, the short-term need to deliver to its mass constituency served to limit the range of choice that the government had at independence. The government realized that it did not have the capacity, on its own, to maintain the productive capacity that would be the source of the resources to be used in meeting the redistributive demands of its primary political base.

The development strategy that emerged from this political context was one based on the least common denominator of both "radical" and "reformist" proposals. It attempted to postpone, avoid or finesse the hard strategic choices that were being urged upon it from various sides. The strategy depended upon the creative use of political ambiguity and threatened policy indecisiveness. While the strategy failed to completely satisfy any group, it also avoided alienating any important force, thus giving to the new government important breathing time to fully consolidate itself.

The strategy also contained longer-term tendencies that would make it difficult to sustain. By committing the Zimbabwe government to very heavy investment in social services, it threatened to (and eventually did) send recurrent expenditures skyrocketing. The policy style of avoiding hard choices exacerbated the problem. The cost of avoiding political conflict was the loss of control over expenditures. A prime example of this was the expensive decision to absorb most of the former guerillas into the national army. The danger of the transitional strategy was that Zimbabwe would take the road followed by other African countries, such as Zambia and Tanzania, investing heavily in social policies of redistribution which result in an overburdened recurrent budget, forfeiting the ability to maintain necessary levels of growth.

Budgetary resources do not come out of thin air. The logic of the transitional development strategy was to maintain high levels of output in order to maximize the revenues that could be tapped from the capitalist sector and then be used to pay for social service expansion. But, the degree to which the private sector could be taxed without losing the confidence of skilled white labor and foreign capital, was limited. By 1982, the continued viability of the transitional strategy was becoming problematic, caught in the squeeze of budgetary expansion, ebbing commercial confidence, and low growth.

Given Zimbabwe's resent economic difficulties, it is easy to be critical of the transitional development strategy. But the balance sheet of that strategy is <u>at worst</u> mixed. A year after Zimbabwe's independence, Michael Bratton (1981, p. 474) assessed the transitional strategy in the following terms:

> The present approach to development is innovative and carefully reasoned. In the first year of independence the Prime Minister made a subtle analysis of his situation and made few mistakes in balancing diverse political demands. It is difficult to conceive

of an alternative approach to development that would promise to yield as rich a blend of economic growth and social redistribution.

## DETERMINANTS OF THE TRANSITIONAL DEVELOPMENT STRATEGY

Having discussed the main features of the transitional development strategy and its overall rationale, it is important to understand its origins. More specifically, given the radical ideological inclination of ZANU and its close ties to FRELIMO in Mozambique, why was a more decisively transformationist strategy not followed in Zimbabwe? This is a difficult question to answer, and it is impossible to come to a definitive explanation. Nonetheless, it is worth exploring, if only because it might give hints as to where development strategy in Zimbabwe might be heading in the future. One immediate factor has already been discussed -- the need to balance the demands by the poor for redistribution with retaining the confidence of the local whites and foreign investors who dominated the inherited economy. There are several other factors that are also important.

The potentially relevant factors can be broadly divided into two groups: those that explain the retreat from radicalism as a matter of necessity versus those that see it as a matter of choice. In my view, there were elements of both necessity and choice involved, and care should be taken not to minimize the importance of the choices taken and the alternatives avoided. There is an unfortunate tendency in the literature on development strategies in African to minimize the role of choice to almost insignificant levels.

Among the factors of necessity, the following played significant roles. The first two refer to the mode of Zimbabwe's decolonization. Independence was granted to Zimbabwe on the basis of a negotiated settlement between the forces of African nationalism, represented primarily but not exclusively by ZANU, and the dominant force in the old Rhodesian regime, the white community. While the importance of the military struggle in bringing Smith, and later Muzorewa, to the negotiating table cannot be minimized, the liberation forces in Zimbabwe did not overwhelm and militarily defeat the forces of the old regime. The ZANU government that acceded to power in April 1980 inherited from settler colonialism a societal structure more or less intact. This contrasts sharply with the inheritance of radical regimes which embarked upon revolutionary programmes, both in Africa and elsewhere (i.e., Angola, Mozambique, Russia, China).

Not only was the settler structure inherited intact, but the very settlement leading to independence, the Lancaster House Agreements of early 1980, limited the possibility of implementing a more transformationist strategy. The Agreements enshrined interracial bargaining into the political structure of the new state, by allocating one-fifth of the seats in the House of Assembly to whites. They also protected property ownership, maintained the civil service structure and personnel, and created a Joint High Command with equal representation from ZANU, ZAPU and the old Rhodesian forces to administer the new national army. Taken as a whole, the Lancaster House Agreements necessitated limits on the options available to the ZANU government. But, while the Agreements constrained the new government, they also served a political purpose for the new regime by taking much of the blame for lack of fundamental change away from the government and placing it on others (the British, the former regime). They have also undoubtedly assisted more pragmatic policymakers in their intragovernmental debates with their more ideologically-inclined colleagues.

A further "necessity" factor in explaining the lack of a more radical development strategy was the nature of the inherited economy itself. As discussed earlier, the economic structure that Zimbabwe inherited from Rhodesia -- what Flora Lewis (1983) has called "Rhodesia's gift to Zimbabwe" -- was unlike that inherited by any other newly independent African country. It was more sophisticated, complex, productive, technologically self-reliant, internally integrated and industrialized than any other in black Africa. It was also thoroughly dominated and controlled by the fewer than 200,000 whites in Zimbabwe at the time of independence. Of particular importance was the fact that due to land shortages, overpopulation, and war, the productive capacity of the African rural areas had declined to the point where peasants living in those areas had to "import" half of their food requirements from the white farming sector. The existence of this powerful capitalist sector, and its juxtaposition to the impoverished peasant sector, greatly limited the options facing the new government. Regarding the possibility of substantially decreasing the role of foreign capital, Duncan Clarke (1980), a radical economist, concluded that:

> It is hard to find a sub-Saharan Africa example comparable to the Zimbabwe case in which the role of foreign investment has been so long established, as deeply integrated into the sectors producing the bulk of output, so strongly interconnected with the settler

> capital and, in consequence, probably as difficult to foresee being quickly and successfully altered.

The final "necessity" factor involved in the explanation for why a more radical development strategy did not emerge following Zimbabwean independence, revolves around the existence of prior organizational tasks for the government and the limited capacity of the new regime to intervene decisively to transform the political economy.

During the transition period, the new government was called upon to undertake a wide range of organizational tasks: constructing a national army out of three formerly hostile forces, creating a new rural administrative structure in the African communal lands, gaining effective control over the complex machinery of administration that had been constructed by the Rhodesian regime to oversee and coordinate its economy. Especially given the other factors already discussed, it is easy to see why the ZANU leadership was cautious about attempting any radical transformationist policies. Michael Bratton (1981) has written that:

> At independence, the ZANU leadership constituted a thin veneer atop a largely untransformed state apparatus...Under such conditions it is questionable whether an isolated revolutionary elite has the tactical mobility to pursue policies of its own choosing...The wherewithal to effect a redistribution of wealth is not presently in the hands of the state.

It is at this point that the "necessity" factors and the "choice" factors of our explanation come together. The administrative constraint was real, but there was nothing preordained in the response by the ZANU government to it. caution did not have to win out; it was consciously chosen.

Thus far, our discussion of the determinants of the nonrevolutionary Zimbabwean transitional development strategy has centered on objective factors that limited the range of options from which the new regime could choose. But this assumes that had these constraints not existed, a very different, more revolutionary strategy would have been undertaken. It also implies that, if some constraints can be overcome, there may be a shift to a more transformationist development approach.

But there were also important factors of choice involved in the Zimbabwean government's decision to follow a moderate and cautious transitional development strategy. The expectation of a transformationist strategy partly flowed from the assumption that the African struggle against settler colonialism was motivated by a revolutionary commitment rather than by nationalism. But the Zimbabwe experience seems to fit into the broader African pattern of the practical domination of nationalist sentiment over socialist principle -- despite the level of rhetorical ideological fervor. While it is undoubtedly true that Africa nationalism has taken on the rhetoric of Marxism, especially in Southern Africa, the operative principles remain overwhelmingly nationalist. Robert Mugabe is not the first case of a"revolutionary" leader following a cautious and prudent road after the principal nationalist goal of self-determination has been won.

The second aspect of "choice" in explaining the Zimbabwe development strategy concerns the lessons that the ZANU leadership read from earlier efforts at transformationist development strategies, particularly in Mozambique. In general, African efforts at agricultural communalism, state control of industry and efforts at state-directed rapid transformation have not proved viable. The ZANU leadership included a number of individuals who had spent many years in foreign countries gaining an opportunity to observe events there and learn from those prior experiences. The chief architect of the development strategy, Dr. Bernard Chidzero, had long served in international organizations concerned with development issues, bringing with him a wealth of experience to the new Zimbabwean government. It has also been reported that President Samora Machel himself had urged a strategy of caution to Mugabe, stating that Zimbabwe could avoid some of the tremendous costs that Mozambique paid for the rapid exodus of its white population immediately after independence.

Finally, the Zimbabweans should be taken at their word. Development strategy statements in Zimbabwe since independence have been very consistent in reiterating the belief that an egalitarian, democratic, socialist Zimbabwe can be achieved through the slow and careful transformation of the inherited economic system. While there is no question that there are those in the ZANU leadership who are dubious about such a strategy, those who have thus far dominated development policy -- Finance, Planning and Development Minister Chidzero and Mugabe himself -- seem firm in their beliefs. That Mugabe chose, at independence, to initiate the politics of accommodation, bringing Rhodesian Front and ZAPU members into his government when ZANU on its own commanded a working majority in the House of Assembly, demonstrates that the cautious transitional strategy was the result of choice as well as necessity.

## DEVELOPMENT OUTCOMES: AN INITIAL OVERVIEW

How has Zimbabwe evolved under the impact of the transitional development strategy? In this section, some of the important trends and outcomes since independence will be discussed, and the overall impact of the development strategy will be assessed. Development outcomes are a result of many factors, not simply development strategy. However, the following analysis will show that the transitional strategy had an important role in shaping events and trends -- both positive and negative.

Due to Zimbabwe's political and economic difficulties in 1983, some observers lost track of the important achievements of the ZANU government. If times in Zimbabwe in 1983 were tough compared to the "good old days" of 1980 and 1981, they were remarkably good when compared to 1979, -- a time when fifty lives a day were being lost in a war that most observers felt would escalate into a massive conflagration leaving very limited potential for reconstruction and rehabilitation. In some ways, the Zimbabwe government has paid a price for its remarkable early success that created unrealistic expectations about the possibility of a totally smooth and conflict-free transition.

Perhaps the regime's most important early achievement was its consolidation of independence. Central to this was the creation of the new Zimbabwe National Army out of the three military forces operating in the country at the time of independence -- the Zimbabwe African National Liberation Army (ZANLA), the Zimbabwe People's Revolutionary Army (ZIPRA), and the Rhodesian security forces. The recent expansion of dissident military activity in Matabeleland is a setback to the government's efforts at military unification and demonstrates that the three forces have, by no means, been totally integrated. Additionally, relations between white officers and the government have sharply deteriorated since the arrest of six senior air force officers in connection with the successful sabotage bombing of Zimbabwe's main air force base. Morale among white officers is very low, and the pace of resignations and retirements is increasing. But, given the regional politics of Southern Africa, the retention of a substantial white officer corps by the Zimbabwe National Army for a long period of time was highly unlikely. Despite these difficulties, given the potential at the time of independence for either a white-led military coup or for large-scale hostilities between the three forces, the overall record in the military sphere remains impressive.

In addition to creating a national army, the ZANU regime succeeded in rebuilding a rural administration structure with policy-implementing capability and in gaining more effective influence over the central administrative machinery in Harare. Africanization of the civil service has been rapid, and is likely to increase in speed following the expected retirement of large numbers of white civil servants who, having served three years in the new government, will have earned their pensions. The government has also been successful in repairing the damage caused by the war to infrastructure, schools, and hospitals. The government's success in preparing and coordinating the March 1981 ZIMCORD Conference, which raised $2 billion in pledges from international donors, attested to the international respect that the ZANU government earned after independence.[4] Importantly, the consolidation of independence has occurred without the dramatic loss of administrative efficiency feared by some. While the Zimbabwe bureaucracy lacks the brutal effectiveness of its Rhodesian predecessor, it remains, by African standards, highly efficient.

On the economic front, performance during the first two years of independence was impressive. Taking advantage of both the end of the war and the lifting of international sanctions once imposed on Rhodesia, and responding to the price incentives (especially for commercial agriculture) that the government provided in line with the goals of the transitional development strategy, real output rose by 14 percent in 1980 and almost 9 percent in 1981. Increases in agricultural output were particularly spectacular; sales of principal crops and livestock increased by 45 percent between 1980 and 1981. Exports rose by over 20 percent in 1980 and continued to grow in 1981 and the first half of 1982.[5]

While the government was promoting growth, it was redistributing assets through a combination of substantial increases in the minimum wage and a vast expansion of basic services -- health facilities, education, and other social services. Government expenditures on health care doubled in the first two postindependence budgetary years with special emphasis given to the extension of health care facilities to the rural areas. In the first two and one-half years of independence, the number of children in school increased by over 140 percent, the number of secondary schools doubled, and the number of rural secondary school students trebled. The numbers of black teachers in Zimbabwean schools has also increased rapidly since independence.

While the transitional development strategy facilitated the consolidation of independence and the achievement of growth with increasing equity in the first two years on independence, there were also emerging areas of difficulty. These less successful outcomes highlight the tensions within the transitional development strategy and the politics of accommodation that accompanied it. In the economy, the two most important problems have been the failure to generate foreign private investment and difficulties in implementing the land resettlement program. Politically, there has been a major problem in reconciling the politics of accommodation with ZANU's commitment to expanding its own authority, as well as continuing resistance to the new regime by some members of the white community and by dissident elements in Matabeleland.

While the new Zimbabwe government was able to reassure white farmers and existing investors sufficiently to maintain high levels of output, it has been less willing and able to take steps that would be needed for private investment to flow towards Zimbabwe rather than to another of the dozens of countries competing for scarce foreign investment resources. For example, the Zimbabwean authorities have not been willing to negotiate an agreement with the U.S. Overseas Private Investment Corporation, which has undoubtedly lessened the attractiveness of Zimbabwe to U.S. firms. This is in spite of the fact that Zimbabwe's development strategy continues to see foreign private investment as a major, necessary component of total investment. This dichotomy -- stressing the need for foreign private investment while being unwilling to take the steps needed to produce it -- threatens the viability of Zimbabwe's planning process and undoubtedly reflects the conflicts within the government over the direction of development strategy and policy. It also reflects the way in which different development goals -- in this case increased investment versus the government's desire to play a more significant role in the economy -- can come into conflict.

As was discussed earlier, virtually all observers of Zimbabwe agreed on the need for a substantial land resettlement program after independence. Aside from anything else, this was seen as a political necessity, given the crucial importance of the land issue as a motivating force of the Zimbabwean nationalist struggle. Land resettlement also fit into the government's strategy of generating both growth and equity. From an equity standpoint, land resettlement was intended to relieve overcrowding in the African communal lands, to create opportunities for the landless and unemployed, and to redress the politically unacceptable balance of racial landownership that Zimbabwe inherited from Rhodesia. From a growth standpoint, it was hoped that land resettlement would serve to limit the problem of squatting in the commercial farming area and thus help maintain the stability of that sector; bring underutilized and abandoned land into production; and expand the opportunities for African small-holder commercial farming. The overall goal of the Zimbabwe government has been both to undertake a large-scale resettlement program and to maintain high levels of agricultural output in the commercial farming sector.[8]

Shortly after independence, the government announced its first land resettlement program, intending to settle 18,000 families in three years onto close to three million acres of former commercial farming land. By early 1982, this plan had resettled some 8,000 families onto approximately one million acres of land. At this point, the government decided that a radically accelerated land resettlement program was needed, and announced plans to resettle 162,000 families between July 1982 and July 1985. The government, thus far, has faced a series of difficulties in putting this accelerated program into effect. By the end of 1982, while five million acres of land had been purchased, the total number of resettled families was only 15,000. In early 1983, the government admitted that its resettlement policy was floundering and, in a speech in February, Moven Mahachi (the Minister responsible for resettlement) appeared to backtrack on the government's commitment to resettlement as the backbone of its rural development policy. Officials of the Commercial Farmers Union, once fearful that the accelerated scheme would be at odds with maintaining the viability of the commercial farming sector, became worried about the growing threat of squatters, which numbered over 250,000.

Why has the Zimbabwe government had so much difficulty implementing a land resettlement program? There are some parallels between this issue and the difficulties in generating foreign investment. In both cases, the government's strategy and stated goals recognized the significance of the issue. In both cases, there has been a degree of policy indecisiveness reflecting the difficulty of reconciling partially conflicting goals and the tendency of the Zimbabwe government to try to postpone hard choices. In the case of land resettlement, these problems were exacerbated by bureaucratic difficulties -- at least seven different ministries are involved in different aspects of the settlement program. The timing of the accelerated program was also particularly unfortunate, occurring just as the Zimbabwe economy was slowing down, limiting available funds, and also coinciding with the onset of what has become a debilitating drought.

Implementation of settlement policy has been further complicated because it brings, to the foreground serious policy dilemmas in Zimbabwe's quest for both continued growth and continued redistribution. The question of the scale of resettlement raises the potential trade-off between resettlement, and maintaining output of the commercial sector and funneling resources into the African communal areas. Large-scale resettlement will only be possible at the cost of significant losses of output, export earnings, and employment in the commercial agricultural sector. Similarly, expending resources on resettlement will limit the revenue available for reestablishing viable agriculture in the communal areas. It is important to remember that even under the largest scale yet considered, resettlement will involve less than one-fifth of the rural African population.

There are also difficult issues raised as to the model of resettlement and who will receive land in the program. While the government had hoped to use the land resettlement program to begin to implement a cooperative agricultural system, peasant preferences appear to lie with more individual models. The government has reiterated its promise not to coerce peasants into cooperative settlements, but retains its preference for this model. On the question of who will receive resettlement land, originally government policy was that only the landless and unemployed would be given access to settlement lands. Then, in August 1982, it was announced that settlement land would be made available to "master farmers," those African peasants operating in the commercial sector. The government thus faces a difficult growth versus equity trade-off. While the criterion of equity argues in favor of giving resettlement land to the landless, it is the master farmers who already have the resources both to make the resettled land rapidly productive and to limit government's resettlement costs. The difficulty of dealing with these hard policy dilemmas is an important part of the explanation for the slow pace of implementation of resettlement.

The difficulties that the Zimbabwean government has faced in generating foreign investment and in implementing land resettlement illustrate some of the tensions within the transitional development strategy that make it difficult to sustain. Perhaps the central tension in the strategy is that while private investment, both domestic and foreign, is viewed as crucial to maintaining growth and generating resources to be used in redistributional policies, the ideology of socialism and the long-range threat it poses to private investors continuously weakens the ability of the government to sustain desired levels of private investment. Related to this, is the tension between rapidly increasing government spending on basic services and retaining the confidence of investors whose operations will be taxed to pay for those services.

There is an important bureaucratic tension that the distinctive Zimbabwean development strategy as also generated. The decision to incorporate an extremely diverse set of interests into the government's strategy has necessitated a large degree of political and programmatic ambiguity. Prime Minister Mugabe has gone out of his way to try to postpone or avoid, wherever possible, hard trade-offs. In general, this approach has been beneficial but not without costs. In particular, the tendency towards indecisiveness in policy articulation and implementation has been exacerbated. This brings the danger of policy drift, a problem that many sub-Saharan African countries have experienced -- one that is very difficult to reverse.

Finally, the development strategy and the concomitant politics of accommodation contain important political tensions. One visible example is that the government and the white community give a very different meaning to accommodation. The government interprets its policy to mean that all citizens, no matter what their role in the old society and old regime, should be given the opportunity to participate actively in the creation of a new Zimbabwe. Given the conflicts of the civil war and the repression practiced by the old regime, the government feels that it has bent over backwards with this stance, to the point of threatening its own mass base. All too often, however, white citizens interpret accommodation as meaning that the regime has committed itself to the protection of their presence in Zimbabwe. The continued high rate of white emigration and the constant grumbling by those who remain reflect their belief that the regime has not made good on this promise. Conversely, white disaffection leads blacks, both in and out of the government, to question the rationale of racial accommodation, thus making it difficult to sustain.

To say that there are tensions in the development strategy is not to imply that these are the primary cause of Zimbabwe's current economic problems. At least as important are the continued international recession -- which has both hurt Zimbabwe's export program and limited the potential for foreign investment -- and the drought -- which has set agricultural production plummeting and threatened government programs in the rural areas.

## THE FIRST DEVELOPMENT PLAN

Zimbabwe's latest development document, the long-awaited First Development Plan, was issued in late November 1982. The presentation of the plan coincided with deepening economic difficulties for the government: continued decreasing growth levels, stagnating exports, growing balance of payments difficulties, rising inflation, and a leaping budget deficit. In the face of these problems, the most striking feature of the Development Plan is its continuity with previous statements on development strategy. Those observers on the left, who had hoped the plan would provide a programmatic guideline for socialist transformation, were disappointed; those observers on the right, who had hoped for government backtracking on its commitment to redistribution in favor of stricter policies more favorable to investors, were also disappointed. Despite the tensions in its strategy and the economic downturn, the Government of Zimbabwe has decided to "stay the course" as far as its overall development approach is concerned.

The planning document is not directive, rather it attempts to indicate trends in the economy. The Plan projects an 8 percent annual growth rate over the 1982-1985 period and assumes a total investment of Z$6.1 billion, of which 63 percent will be financed domestically with the rest from external sources, both public and private. It foresees a doubling of foreign trade during the life of the plan, both on the export and import side. The Plan projects construction and manufacturing to be at the forefront of economic growth, while mining and agriculture are foreseen as lagging somewhat behind. The Plan sees both increases of modern sector employment of 3 percent per year and labor productivity growth of 5 percent per year. Manufacturing will comprise nearly 25 percent of planned investment, while transportation and agriculture are earmarked for nearly 15 percent each.[7]

Along with these growth targets, the Plan continues the Mugabe government's emphasis on social service expansion and increasing government participation in even wider sectors of the economy. Rural development, land redistribution, and continuing the ambitious program of rural health and education feature prominently in the framework of the Plan. Among the new institutions designed to enhance government's role in the economy are a development bank, a national development corporation, and parastatals to develop both tourism and mining.

The Plan had been a very long time in preparation, and by the time it was presented, many of its assumptions appeared unrealistic. To preempt criticism, the government has stated that the policies and approach are more important than the specific targets and projections. Nonetheless, the size of the discrepancies have promoted widespread criticism of the Plan. While the Plan foresees 8 percent output growth and 25 percent increase in export earnings in 1983, in the first half of 1983 real output declined and export levels were below those of 1982.

The Plan has prompted criticism from both right and left. Right-wing critics argue that government policy threatens "to kill the goose that lays the golden egg." Analytically, their argument states that, in current conditions, growth is a prerequisite for equity and thus must take priority over equity where trade-offs are involved. By placing growth and equity on equal footing, these critics argue, government policy threatens both. Left-wing critics have argued that behind the socialist rhetoric and framework of the plan lie a programmatic approach that is reinforcing capitalism and limiting the longer-term capacity of the government to achieve its stated goal of socialist transformation. They criticize the continued reliance on the private sector and "export-led" growth, feeling that the lack of realism in the Plan will force the country to go heavily into debt from the International Monetary Fund and become further constrained by the conditions that the Fund will impose in return for its lending support.

## CONCLUSION - KEEPING THE TENSIONS CREATIVE

There is no question that Zimbabwe is facing increasingly difficult times. The challenges, both political and economic, that currently face Prime Minister Mugabe and his government are greater in late 1983 than at any time since they acceded to power. Since that time, Zimbabwe has been under intense scrutiny, not unexpectedly given its strategic and symbolic importance. Expectations have been generated, both within the country and among outside observers, that have proved very difficult to meet. It is in this context that Zimbabwe's future prospects must be assessed.

As discussed earlier, some see current trends leading Zimbabwe down the slippery slope of mutually reinforcing economic and political decline. As evidence, these observers cite the current recession, the lack of realism in the government's planning process, and the failure by government to maintain control over its recurrent expenditures. In addition, these observers feel that Zimbabwe has thus far failed to consolidate either its growth constituency or its equity constituency. That is, it has neither provided credible incentives to retain skilled whites and engender foreign investment, nor carried through an effective land redistribution and rural development program to satisfy its peasant base. It is these failures, critics say, that are generating loss of control and increasing government authoritarianism that will further minimize the government's capacity to resolve its difficulties.

While there is some truth to some of these criticisms, taken together they provide a much too pessimistic and unrealistic picture. Despite current economic difficulties, Zimbabwe's formidable productive capacity remains fully intact and viable. If anything, infrastructural improvements since independence have enhanced productive capacity. In comparison to virtually all other black African countries, not only does Zimbabwe possess a greater ability to withstand the current economic crisis, but her capacity to respond to improving international economic conditions, when they occur, is also better. Government policy is not nearly as imprudent as critics sometimes maintain. In December 1982, the government undertook the difficult task of a currency devaluation in response to its economic difficulties. The regime is also committed to phasing out food consumption subsidies and continues to show flexibility in its budgetary process. There is no sign that ideology dominates pragmatism in actual policymaking. International assistance agencies, including USAID, have given Zimbabwe high marks for effective use of foreign aid.

Zimbabwe's political difficulties loom larger all the time. While the government remains committed to the letter of the Lancaster House Agreements, the future of the politics of accommodation are uncertain at best. But, while the political problems that the government faces are formidable, its capacity to respond to them is greater than most governments in black Africa that have faced the threat of severe political disorder. Nor should the scale of political difficulties surprise observers, given the legacies of a bitter civil war, and the exacerbating factors of drought and international recession.

What is the likely future of Zimbabwe's development strategy? Will the "growth with equity" approach be maintained? There are serious tensions within the current strategy that make its future problematic. The "growth with equity" strategy concedes an important role for whites, but the white community in Zimbabwe must become more acceptive of change. Postindependence Zimbabwe is still, fundamentally, a dual society. It cannot remain so. If the "growth with equity" and reconciliationist approach fail to transform that duality, it will undoubtedly be dropped for something different. African interests must become more effectively associated with growth-oriented policies for the "growth with equity" approach to be maintained. This will involve a greater degree of structural change than has occurred so far in Zimbabwe.

All of this leads back to Hirschman's point about the importance of a politics that can accommodate both forces for growth and forces for equity. While the tensions in the current development strategy were outlined, there is no reason to believe that these tensions will necessarily become destructively antagonistic. The task is to recognize the tensions and maintain a creative interaction among the diverse elements. To their credit, this is the approach that has been followed by Prime Minister Mugabe and his closest advisors on development issues.

The international community can help in this process of maintaining creative rather than destructive tension in Zimbabwe. First, by sustaining high levels of assistance and good relations of cooperation with the Zimbabwean government on development issues; secondly, by lowering expectations of a conflict-free transition and of a totally consistent policy; thirdly, by expanding efforts to ensure regional security in Southern Africa -- specifically by pressuring the Republic of South Africa to stop their efforts to undermine the political regimes and the basic development goals of majority-ruled states in the region. Finally, and most importantly, the international community must avoid the negativity that threatens to engender a self-fulfilling prophecy, while recognizing the real problems and obstacles that lie ahead in Zimbabwe.

NOTES

[1]See, for example, OAU (1980), and Allison and Green (1983).

[2]See, for example, Hume (1974), and Riddell (1977).

[3]See Catholic Institute for International Relations, 1978.

[4]See Government of Zimbabwe (1981b).

[5]Data is from Zimbabwe's Central Statistical Office (various dates).

[6] Interviews with officials in the Ministry for Land, Resettlement and Rural Development, Harare (September 1982).

[7]Government of Zimbabwe (1982).

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